Purchasing Week

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Price Perspective 2 Washington Perspective 4 Purchasing Week Asks You ... 11 Foreign Perspective 15 New Products 16

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\$6 A YEAR U.S. \$25 A YEAR FOREIGN

Growing Protectionism Confusing Many on Our Foreign Trade Policy

More Restrictions Placed on Foreign Imports While Congress Extended Reciprocal Trade Act

Washington-A rising tide of protectionism has thrown many U. S. businessmen and politicians into confusion and doubt about the direction of U.S. foreign trade policy.

In recent months, the U. S. has placed more administrative restrictions on foreign imports than it had since before World War II. A rundown of current cases involving industry petitions for

additional relief from the pinch of increasing import competition indicates more to come.

the fact that only nine months est extension of the basically lib-eral trade Reciprocal Trade Agreements Act in its 25 year history. Administration officials publically called new tariff cuts a "must" to put the U. S. in position to negotiate with the infant European Common Market and keep that economic unit (Turn to page 21, column 1)

T.V.A. Might Ask For Foreign Bids

Knoxville, Tenn.—The Tennessee Valley Authority rebelled last week against identical bids from U.S. manufacturers. It an- New Design Motors nounced it is "studying the possi-bility" of inviting foreign firms to bid on purchases of equipment and materials where such bids have been submitted.

The agency disclosed that a number of U.S. electrical equipregularly bid to the penny on a number of purchases. Recent instances include transformers, con- cut from the delivery schedule ductor cable, and chemicals.

The T.V.A. authorized its the bids as of possible "concern" to the public. In one case—on conductor cable—seven suppliers submitted corresponding bids.

products. He must announce soon openings meet National Elec-(Turn to page 21, column 3) (Turn to page 22, column 1)

S-11 Reported Out

Washington - The Senate Judiciary Committee is once again maneuvering on S-11, the controversial measure that would limit the "good faith" defense in Robinson-Patman price cases.

S-11's principal backer, Sen. Estes Kefauver (D., Tenn.) managed to get his Antitrust Subcommittee to turn the measure loose last

All this has developed despite Asphalt Prices May Jump Unless ago Congress approved the long-Makers Receive More Oil Imports

New York-Asphalt producers, fect in March.

They claim the quotas have reduced their imports to 80% of cost-squeeze. Several major producers have submitted "hard-Appeals Board for larger crude meet this spec. and residual oils allocation.

Their petitions list these points as materially adding to cost and advancing the possibility of higher prices for asphalt products:

Save Delivery Time

Schenectady, N. Y .- Building block design and the use of a computer is expected to cut drastically into the lead time for ment producers and others had medium- and large-size ac. mo-

As much as 4 to 5 wk. can be compared with former designs.

General Electric Co.'s use of purchasing division to publicize the building block concept in the 900 to 5,000 hp. motor range lets it build open, weather-pro-tected, or totally enclosed motors from the same basic enclosure. In Washington, meanwhile, the To the basic enclosure G.E. adds director of another public agency, a top section tailored to the pur-Defense Mobilizer Leo A. Hoegh, chaser's requirements. For inwas also on a hot spot involving stance, cast aluminum sections foreign imports versus domestic can be added to make ventilation

• Advance production plans of warn a sizeable price hike is in many producers had called for store unless they win relief from substantial use of Venezuelan the government's mandatory oil crude with 77% solid asphalt import quotas that went into ef- content to meet requirements. Import restrictions have forced a revamping of these plans.

 Searching for domestic crudes figures, as measured by PURCHAS-ING WEEK'S special Overtime normal and are putting them in a that could meet the minimum specification of 50% asphalt content, producers found no crudes ship" pleas to the Oil Imports east of the Rockies that could

> · California crude can meet the minimum spec. However, the cost of transporting this crude to asphalt producing plants in many parts of the country averages four times the cost of transporting crude from Venezuela in terms of asphalt content.

> On this last point, Eastern producers say they have little use for California crude because it fails to meet the specifications for about 52% of Eastern industrial asphalt markets and 100% of Eastern emulsified asphalt markets. Also, California paving asphalt fails to meet the specifications of states and city governments in about 20% of the Eastern markets.

To meet demand, some pro-(Turn to page 21, column 4)

Steel Warehousers Try Out New Pricing System in Pittsburgh

Pittsburgh-Major steel warehouse firms are trying out a new pricing system in the Pittsburgh area. Inaugurated earlier this month by Joseph T. Ryerson & Son, Inc., the revised pricing structure is based on a combined application of item extras and order quantity discounts for first step last week toward liquid- encountered with agricultural popular individual items—specifiproducts. There's just too much cally hot rolled carbon steels, cold rolled sheets, and galvanized

Under its former pricing system, Ryerson—and other steel service centers-considered the total weight of all items combined as the basic cost-determinthe cost variance according to quantity per individual items.

"Faster turnover of the popu-

Still a Buyer's Market **But Sales Executives** Foresee Tables Turned

Optimistic Over Third, Fourth Quarter Prospects Purchasing Week Coast-to-Coast Survey Reveals

New York—It's still a buyer's market for industrial purchasing as far as most sales executives are concerned. But there are a few who believe the tables already are turning—if only slightly. PURCHASING WEEK reporters found sales executives strongly

optimistic about third and fourth quarter prospects in a multiindustry, coast-to-coast inquiry last week. But many cautioned: "That doesn't necessarily mean we won't have to work for it." Surprisingly few, however, mentioned steel strike worries.

 But despite 1959's dramatic surge in business activity, most said P. A.'s still can give them fits regarding price, quality, delivery, and other key buying factors.

• On the other hand, 1960 is not too far away, and a number expect sellers to be able to begin calling the turn a bit just about

In a few specific areas-such as steel—the switch already has come. Other sales departments said they were beginning to experience more difficulty in meeting P.A. delivery demands. But only a few said they detected any let-up in P.A. determination to obtain a rock-bottom price on goods purchased.

• Virtually all the sales managers who discussed the buyer-Hard goods industries are once vs-seller outlook said price re-(Turn to page 4, column 3) (Turn to page 22, column 3)

This Week's —

Overtime Hour Index

Shows a 73% Gain

Over Year-Ago Level

New York-Overtime hours

-after their recent breather-

are again on the rise. New April

Hour Index, confirm reports from

all over the country that business

activity will continue to expand

indicator shows a reading of 92.9 (1956 equals 100). That's a

sharp 73% gain over year-ago levels, and well over the 50%

year-to-year gain reported for

With this latest increase, all

of the loss sustained since the

index began to ease off in January has been regained. The fact

that revised figures show a rise

in both March and April could

mean a new uptrend may be set-

Latest calculation of this key

in the coming months.

the previous month.

ting in again.

Purchasing Perspective

PARADOX? Sales managers insist purchasing still rules the market place and accede to a continuing "buyer's market." Yet even while sales doffs its order book to P.A.'s, business activity (as measured by the Federal Reserve Board index of industrial production) soars to a record high.

Could this be a tipoff to what has been touted previously as the 1960's "boom without shortages"? The '60's already are as close as the corner, and the best indicators agree that business will continue to advance impressively throughout 1959 in a developing business boom.

At any rate, the meaning for purchasing is red-letter clear. The P.A. role as a price-value guardian can become no less demanding and will intensify as cost pressures mount. Sales executives (see story above) said their hardest sell today still is price and they expect it to continue for some time.

In long range purchasing planning, it might be wise to look beyond present surpluses and consider the possibility of a rather tight labor market as the U.S.A. enters the 1960's. Today's worrisome unemployment-down 735,000 in April but still above pre-recession size at 3.6 million-could diminish fairly (Turn to page 21, column 4)

Congress Takes Measure Toward Liquidating Government's Industrial Materials Stockpile

ating part of the government's huge treasure trove of industrial of them. materials stockpiled for use in event of another war.

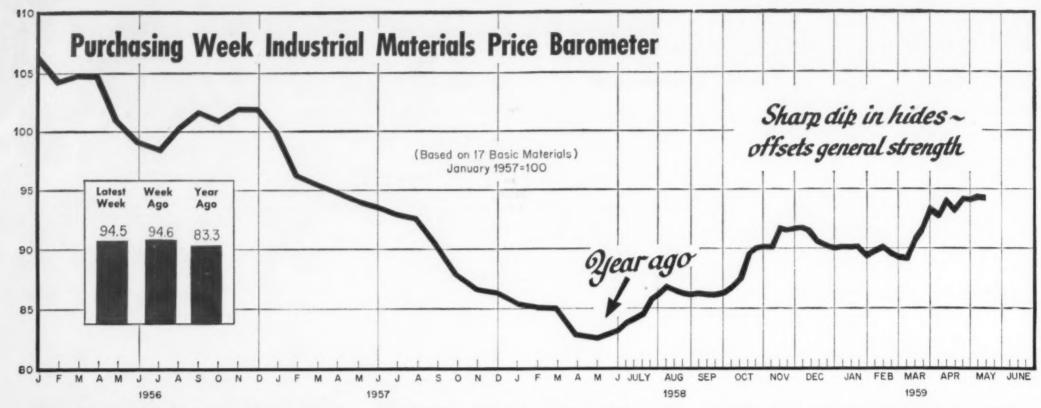
The House approved a bill that would cut off \$49 million of the funds with which G.S.A. buys half this amount exceeds any foreback perishable items sold to prevent spoilage or deterioration. These cover everything from rubber and fibre to castor oil and which operates the stockpile profeathers and down.

Defense stocks, stashed away country, are posing the govern- (Turn to page 22, column 4) (Turn to page 4, column 4)

Washington—Congress took a ment a problem approaching that

Since the program began in sheets. 1946, the defense hoard has grown steadily. It now is worth a staggering \$8 billion. Fully seeable war needs, according to Franklin Floete, head of the ing factor. But recent cost General Services Administration studies, Ryerson said, emphasized

Under present law the mounin bulging warehouses across the tainous stockpiles will continue to lar fast moving product groups,



This index was designed by the McGraw-Hill Department of Economics to serve as an overall sensitive barometer of movements in industrial raw

material prices. The index is not intended to give price movements of specific commodities. The items used are important only in that, together, they reflect the current general market trend in sensitive industrials. Weekly prices for most of the items covered are published in "Commodity Prices" below.

This Week's Comm	odity	Price		
			Year	% Yrly
METALS	May 13	May 6	Ago	Change
Pig iron, Bessemer, Pitts, gross ton Pig iron, basic, valley, gross ton	67.00 66.00	67.00 66.00	67.00 66.00	0
Steel, billets, Pitts., net ton	80.00	80.00	77.50	+ 3.2
Steel, structural shapes, Pitts., cwt	5.50	5.50	5.275	+ 4.3
Steel, structural shapes, Los Angeles, cwt	6.20	6.20	5.975	+ 3.8
Steel, bars, del., Phila., cwt Steel, bars, Pitts., cwt	5.975 5.675	5.975 5.675	5.785 6.425	$+4.4 \\ +4.6$
Steel, plates, Chicago, cwt	5.30	5.30	5.10	+ 3.9
Steel scrap, #1 heavy, del. Pitts., gross ton	35.00 34.00	35.00 34.00	31.50 30.50	$+11.1 \\ +11.5$
Steel scrap, #1 heavy, del. Cleve., gross ton Steel scrap, #1 heavy, del. Chicago, gross ton	31.00	32.00	30.00	+ 3.3
Aluminum, pig, lb	.247	.247	.24	+ 2.9
Secondary aluminum, #380 lb Copper, electrolytic, wire bars, refinery, lb	.218 .312	.218 .311	.213 .246	$^{+2.3}_{+26.8}$
Copper scrap, #2, smelters price, lb	.26	.258	.185	+40.5
Lead, common, N.Y., lb	.12	.115	.115	+ 4.3
Nickel, electrolytic, producers, lb Nickel, electrolytic, dealers, lb	.74	.74	.74	0
Tin, Straits, N.Y. lb	1.03	1.025	.946	+ 8.9
Zinc, Prime West, East St. Louis, lb	.11	.11	.10	+10.0
FUELS Fuel oil #6 or Bunker C, Gulf, bbl	2.00	2.00	2.25	-11.1
Fuel oil #6 or Bunker C, N.Y. barge, bbl	2.37	2.37	2.57	— 7.8
Heavy fuel, PS 400, Los Angeles, rack, bbl LP-Gas, Propane, Okla. tank cars, gal	2.15 .04	2.15 .045	2.50 .04	$-14.0 \\ 0$
Gasoline, 91 oct. reg, Chicago, tank car, gal	.12	.12	.118	+ 1.7
Gasoline, \$4 oct. reg, Los Angeles, rack, gal	.11	.117	.112	- 1.8
Coal, bituminous, slack, ton Coke, Connellsville, furnace, ton	5.25 15.00	5.25 15.00	5.75 15.25	-8.7 -1.6
CHEMICALS	10.00	10.00	10.20	- 10
Ammonia, anhydros, refrigeration, tanks, ton	90.50	90.50	90.50	0
Benzene, petroleum, tanks, Houston, gal	.31	.31	.36	-13.9 0
Caustic soda, 76% solid, drums, carlots, cwt Coconut, oil, incdible, crude, tanks, N.Y. lb	4.80 .214	4.80 .213	4.80 .153	+39.9
Glycerine, synthetic, tanks, lb	.278	.278	.278	0
Linseed oil, raw, in drums, carlots, lb	.16	.16	.175	-8.6
Phthalic anhydride, tanks, lb Polyethylene resin, high pressure molding, carlots, lb	.165 .35	.165 .35	.205 .325	-19.5 + 7.7
Rosin, W.G. grade, carlots, f.o.b. N.Y. cwt	9.85	9.85	9.70	+ 1.5
Shellac, T.N., N.Y. lb	.30	.30	.31	- 3.2
Soda ash, 58%, light, carlots, cwt Sulfur, crude, bulk, long ton	$\frac{1.55}{23.50}$	$\frac{1.55}{23.50}$	$\frac{1.55}{23.50}$	0
Sulfuric acid, 66° commercial, tanks, ton	22.35	22.35	22.35	0
Tallow, inedible, fancy, tank cars, N.Y. lb Titanium dioxide, anatase, reg. carlots, lb	.074	.074	.08	-7.5
PAPER	.255	.255	.255	U
Book paper, A grade, Eng finish, Untrimmed, carlots,	17.20	17.00	17.00	+ 1.2
Bond paper, #1 sulfite, water marked 20 lb, carton lots, CWT	25.20	24.20	24.20	+ 4.1
Chipboard, del. N.Y., carlots, ton	95.00	95.00	100.00	- 5.0
Wrapping paper, std, Kraft, basis wt. 50 lb rolls	9.00	9.00	9.00	0
Gummed sealing tape, #2, 60 lb basis, 600 ft bundle Old corrugated boxes, dealers, Chicago, ton	$\frac{6.40}{21.00}$	$\frac{6.40}{21.00}$	6.40 17.00	$^{0}_{+23.5}$
BUILDING MATERIALS				
Brick, del. N.Y., 1000	41.25	41.25	41.25	0
Cement, Portland, bulk, del. N.Y., bbl Glass, window, single B, 40" bracket, box, fob N.Y.	4.25	4.25	4.42	-3.9
Southern pine lumber, 2x4, s4s, trucklots, fob N.Y.,	$7.90 \\ 131.00$	7.90 126.00	7.00 115.00	$+12.9 \\ +13.9$
mftbm Douglas fir lumber, 2x4, s4s, carlots, fob Chicago,	144.00	141.00	116.00	+24.1
mftbm				
TEXTILES Product 10 on 40" N.Y1	300			
Burlap, 10 oz, 40", N.Y. yd Cotton, middling, 1", N.Y., 1b	.102 .363	.098 .363	.104	- 1.9 6
Printcloth, 39", 80x80, N.Y., spot, yd	.188	.188	.172	0 + 9.3
Rayon, satin acetate, N.Y., yd Wool tops, N.Y. lb	.273	.27	.27	+ 1.1
	1.60	1.575	1.44	+11.1
HIDES AND RUBBER				
Hides, cow, light native, packers, Chicago, lb. Rubber, #1 std ribbed smoked sheets, N. Y., lb	.275 .366	.295 .37	.155 .252	$+77.4 \\ +45.2$
The state of the s	1000	.01	.202	+40.2

This Week's

Price Perspective

MAY 18-24

Wage agreements will be dominating the near-term price picture.

And it's not all due to the current steel talks. Negotiations are also coming up on other key materials like copper, aluminum, and rubber.

It's enough to keep any purchasing executive jumpy. Evaluating the imponderables in management-labor negotiations is never any easy task.

The trouble is there is no precise formula for weighing the possibility of supply bottlenecks and price hikes against the costs of carrying additional inventory.

In a way the task is a lot tougher today than last year. For the first time since 1955 the economy is in sharp uptrend. Production lines in many instances are eating up supplies as fast as they can be obtained.

A supply dislocation now can cause a lot more damage to your firm than in, say, 1957 or 1958.

But some preliminary evaluation is certainly possible in light of what happened in previous years.

The wage-price history of steel, for example, can provide some hints on what to expect price-wise in the coming months. A look at back data reveals two significant findings:

 A definite relationship between hourly wage cost hikes and steel price rises. The bigger the pay boost the larger the price hike.

• A growing tendency (over and above this wage-price relationship) for a given wage hike to be met with relatively smaller price rises. Rising productivity and recent public pressure against price hikes lie behind this new trend.

Take these two findings and add one more factor: the feeling among steel people that a two-year, 15-20¢ wage hike range is most likely.

Consider all three factors and you come up with a 1959 price boost of about \$4-\$6 a ton. This might be split into 2 installments—one in summer and one toward year-end as business rise continues.

The other key metals-aluminum and copper-present somewhat more of a price estimating problem.

Three distinct market factors enter into the picture:

• First, there are less possibilities of crippling strikes with their ensuing supply problems.

• Secondly, competition is a lot more fierce in these two metals. This is particularly true on the international front-where foreign fluctuations have a direct impact on domestic prices.

• Thirdly, despite some hedge buying, supplies are generally ample.

For these three reasons price hikes here are likely to be somewhat less in relation to the wage boosts granted.

The rubber market is another area that deserves a closer look.

Here labor has recently entered the picture with new demands for fringe benefits. More important wage negotiations start in July.

Note that contract talks are coming at a particularly bad time. For just the other week, natural rubber tags-spurred on by upped world demand and low stocks—took a big jump. They're now a big 45% above '58.

When you add expected labor cost pressure to this higher material cost, the conclusion is inevitable: Higher rubber product prices are almost a sure bet come late summer or fall.

Sharp Average Yearly Wage Hike in the Offing

New York—Another sharp the spread has risen on the aver- metal, non-electrical and electriaverage yearly wage hike for durable goods manufacturing workers is currently in the making. Sparked by rising industrial output and sharply boosted firstquarter profits, organized labor is turning the heat on at the bargaining table after a year of relatively calm labor wage bargaining in 1958.

For the purchasing executive, the above situation means some upward pressure on prices, especially in the hard goods section of the economy. And where demand boosts will justify tag increases, you can be sure that producers will make every attempt to pass along these rising costs to industrial buyers.

Slow Rise Last Year

As the chart at right shows, hourly wage rates for production workers in hard goods industries rose only 8¢ on the average last year. That was the lowest boost for this key labor sector of the economy since 1954, and 2¢ an hour below the increase recorded in 1957.

Wages for production workers in the soft goods segment of manufacturing industries also eased in their rate of growth last year. The average yearly boost of 6¢ an hour in 1958 was 2¢ below the 1957 average boost and the smallest average yearly increase since 1955.

Three Reasons

There were three principal reasons behind the slack in wage boosts last year:

• The recession brought a dip in profits which toughened both management's attitude toward, and ability to pay for, increased wage rates. Slipping industrial sales also made many firms more willing to accept a strike during 1958.

 Heavy unemployment, which overhung the labor market, dampened union bargaining power. And many workers whose overtime had been cut or whose work week had been shortened were in no financial position to accept a strike.

· A number of key long-term labor agreements were not up for renegotiation, and provided only minor contract and cost-of-living wage boosts to members covered by them.

Trend to Wider Gap

Despite the general slow-down in wage boosts last year, the longterm trend toward a widening differential between wages in soft and hard goods industries continues (see chart above). And heavy pressure from some key hard goods' unions is expected to increase the spread between the two groups of workers even further by the end of the year.

This increasing differential between wages in durable goods and non-durable goods industries is due to two major causes: the relative better demand for hard goods over the past decade and relatively stronger hard goods unions in steel, autos and electrical goods manufacturing.

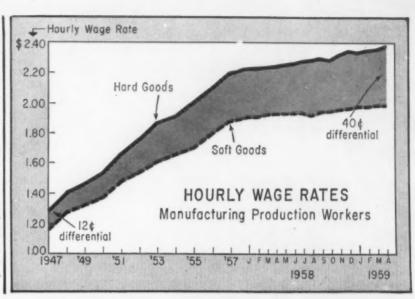
The rise in the differential has not only been sharp, but it has been steady as well, with hard goods manufacturing production workers receiving the lion's share of average wage boosts in good years as well as bad. Since 1947,

the past 12 months.

Detailed analysis reveals that workers in: lumber and wood, ucts manufacturing industriesstone, clay and glass, fabricated 7¢ an hour.

age of 2 1/3¢ a year. It has al- cal transportation equipment, most tripled in the past 10 years printing and publishing, petroand has jumped by 9¢ alone in leum and coal, rubber, and leather products industries.

Smallest average boost-2¢ an wage boosts for production work- hour, came to manufacturing proers in manufacturing over the duction workers in apparel and past year varied greatly from one other finished textile products in-industry to another. Wages in dustries. Other small boosts were primary metals industries are up recorded in leather and leather the greatest amount over a year products and the furniture and ago— 25ϕ an hour. Boosts of fixtures industries— 4ϕ an hour, over 10ϕ an hour also came to and tobacco and textile-mill prod-



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Washington **Perspective**

Government bartering of domestic crop surpluses for foreign strategic metals and minerals is being cut back again by the Agriculture Department's Commodity Credit Corp.

Agriculture officials have removed lead, battery grade manganese, asbestos, and selenium from its list of strategic minerals it will accept in exchange for surplus crops.

For the rest of the year, experts predict, barter levels will again fall off. The move reflects domestic farm opposition, and complaints from friendly crop exporting countries such as Canada, Argentina, and Australia.

Barter fell into disfavor with Agriculture officials two years ago when U. S. exporters complained of the government competition, and farmers complained it cut into cash sales of their own.

But last year, Congress—reflecting pressure from domestic mineral producers—liberalized Agriculture Department barter rules and procedures. The result is that barter so far this year has been running at levels well above last year's. Contracts for the first quarter 1959-for example-totaled \$59.6 million, or over twice the amount in the previous three months.

There's a revived undercurrent of tax talk in Washingtonbased mainly on the radically improved outlook for business since January when Eisenhower sent his budget to Congress.

The tax thinkers-in the White House, the Treasury, and in Congress—are attracted to a developing situation which promises to make "tax reform" a real possibility in the foreseeable future.

Basically, all politicians still feel there is political magic in tossing a tax cut to the voters on the eve of an election. But of late, they've seen enough evidence to indicate that there may be just as much political luster to be derived from holding spending and revenues as close together as possible.

Result is that they are looking for tax legislation that can be called "tax reform"—which means, they hope, passing out tax benefits when spending is in balance, or nearly so.

The serious foundation on which the reasoning rests is this: The upswing in business is producing a flood of tax revenues from personal and corporate avenues; and from excise taxeswhile the Administration, in the name of fighting inflation, is holding down on its spending programs.

Result is the sudden, lovely prospect of budget surpluses in the years just ahead-which would provide the fiscal headroom the tax reformers say they have to have to get anything accomplished.

The economic theory is that tax reform is needed to stimulate economic growth to take care of an expanding population and the Soviet threat during the decade of the 60's.

Eisenhower already is on record for tax reform if the surpluses are forthcoming. You may yet find some specific recommendations in his recommendations to Congress next January. Some of Eisenhower's advisers would like to recommend more liberal depreciation allowances, reduction of the highest income tax brackets, and some easing of capital gains rates.

To repeat: Don't look for anything soon, but the staff men are already at work for the policy-makers of both parties. They feel it's not too early to begin being prepared.

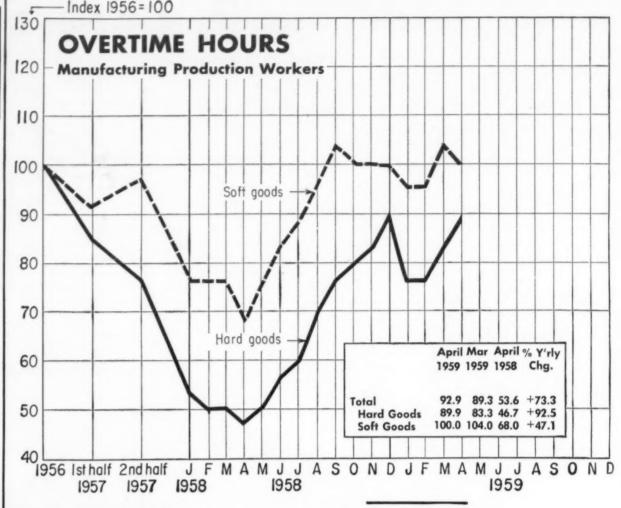
Big industry is swinging into the new employer bargaining pattern-a team-up to face unions across the negotiating table. The latest is in the current steel negotiation—where the companies are talking of a mutual strike defense fund. This is one step toward the ultimate—association or industry wide bargaining already prevalent and growing fast outside the major industries.

A new report on West Coast labor by the Bureau of Labor Statistics reveals association bargaining as the big system in Washington, Oregon, and California. It's mostly among smallemployer industries such as construction, trucking and warehousing, retail and wholesale trade, services, lumbering, shipping, canning and small scale metal manufacturing.

It covers two-thirds of all union members on the West Coast -the most highly organized area in the country.

The report reveals how such bargaining works; that it may be the coming thing nationally.

Weekly Production Records which usually appear on this page will be found on page 22 of this issue.



Overtime Hour Index Shows a 73% Gain Over Year-Ago Level

(Continued from page 1) again making the best showing. The April index for durable goods shows a whopping 93% jump over the previous year.

Soft goods gains, while more moderate, also are significant in their own right. Considering the much smaller degree of volatility inherent in this area, the 47% yearly gain indicates continued improvement in many non-durable lines.

As noted previously, these indexes, which have been specially designed for purchasing executives, are extremely sensitive forecasters of future production activity.

When factory managers deem it necessary to use additional overtime, you can be pretty sure output soon will be on the rise, for overtime is expensive. And only a piling up of backlogs and pressures for quick deliveries would warrant such action.

An industry-by-industry breakare strongest, where improve-

ment may be more gradual. current wave of hedge buying now in progress.

Just as significant are the big the various product groups. gains in so-called "heavy industry" areas like electrical machinery (up 100%); transportation equipment (up 92%); and non electrical machinery (up 63%). All indicate a pick up in the important capital goods sector of the economy.

In the soft goods sector, big year-to-year rises in textiles (up 77%) and apparel (up 56%) signify continued improvement for this long-depressed industry. in the auto industry.

Overtime Hours of Manufacturing Production Workers Index

Hard Goods

Ildia Goods				
	Latest Month*	Month Ago	Year Ago	% Yrly Change
Ordinance & Accessories	69.0	62.1	65.5	+ 5.3
Lumber & Wood	103.0	90.9	72.7	+ 41.7
Furniture & Fixtures		89.3	53.6	+ 66.6
Stone, Clay & Glass	91.7	80.6	61.1	+ 50.1
Primary Metals		82.1	32.1	+178.2
Fabricated Metal Products	83.3	76.7	53.3	+56.3
Non Electrical Machinery	70.3	64.9	43.2	+62.7
Electrical Machinery	76.9	80.8	38.5	+ 99.7
Transportation Equipment .		79.3	44.8	+ 92.4
Instruments	82.6	82.6	52.2	+ 58.2
Soft Goods				
Food	84.8	87.9	84.8	0
Tobacco	81.8	63.6	145.5	-43.8
T 1 Mai D	115 4	111 5	E7 7	1 700 0

Textile Mill Products...... 115.4 +100.057.7 116.766.7 75.0 Apparel 116.7 32.3 Paper 97.8 95.7 +31.7 + 21.1Printing & Publishing..... 68.8 75.0 Chemicals 100.0 + 58.3 Petroleum & Coal Products.. 95.0 65.060.0 +208.0Rubber Products 142.9 132.146.4 +50.0128.6 Leather & Products...... 107.1

Latest month is March, 1959.

down (available only for March) reveals where recovery patterns Steel Warehouses Try New Pricing

(Continued from page 1) In the hard goods sector, pri- Ryerson said, "enables us to individual items. mary metals (up 178% over year ago) leads the parade. Actually it's not so surprising when you consider the depressed state of Ryerson has replaced the familthe industry last year and the iar "base price plus extras" method by net prices per size based on the turnover rates for

> This concept still gives a price advantage to the steel buyer who house system ultimately may go groups several items into a single to net pricing. purchase to increase the total weight. But a still greater advantage, according to the revised price—based on the warehouse's schedules, comes through order- actual cost of handling the ma-

less now than before.

It was pointed out that the net advantage based on orders in-orders.

volving larger quantities of select

Boston, Mass.

Industry sources said that the revised pricing system inaugurated at Pittsburgh May 1 could indicate that the entire steel ware-

Under the net pricing system, customers obtain a more realistic ing larger single item quantities. terial rather than the weight of Ryerson also noted that buyers items purchased. Since handling of single items in the popular costs are lower when larger categories also will be charged quantities are ordered, a saving can be passed on to the customer.

The system naturally elimi-The high rubber increase (up pricing system has been in effect nates the problem of figuring in 108%) also is significant—re- at warehouses in key cities for extras and at the same time proflecting to a large extent revival some time—but without the price vides a better rate for lumped



Why you get <u>more</u> than a motor from Century Electric

Availability, quality, and know-how—all the things you want in motors. Here's why you get all this and more with Century Electric motors:

Availability—Ordering is simple because you can get any motor you need from 1/20 to 400 hp. When you have a wide variety of motors from which to choose, it's easier to get the one you need. Think how you save time when you get answers to all your motor needs in one place.

Quality—Anyone can make claims about high manufacturing standards and quality control. But the best proof of Century Electric quality comes from years of outstanding service. Ask the man who sees every kind of motor sooner or later—the service repair shop man. He'll rate Century Electric motors outstanding.

Application know-how—Century Electric sales engineers know motors. They apply, engineer and think motors and nothing but motors. They can give you on-the-spot help in selecting the right motor—to make sure you get the best one for the job.

Fast answers—You get fast answers to your motor and generator questions from Century Electric. Quotations, models, drawings—whatever you need. When you come to Century Electric you get more than a motor. For more information, contact your local Century Electric Sales Office or Authorized Distributor. Century Electric Company, 18th and Pine Street, St. Louis 3, Missouri.

CENTURY ELECTRIC COMPANY

St. Louis 3, Missouri Offices and Stock Points in Principal Cities



N.A.P.A. Local Chapters Electing New Officers for the Coming Year

Purchasing Agents associations have been busy in recent weeks selecting new officers and directors of local associations and N.A.P.A. district councils. Results are in this week from N.A.P.A. Districts 3 and 5 and from various local groups.

tional director.

Tri-City Group Member Re-elected Dist. 3 V.P.

Rockford, Ill.-W. M. Davis, a Tri-City Purchasing Agents Association member, was re-elected N.A.P.A. District 3 vice president for 1959-60 at the spring elections.

Davis had completed the term of the late George S. Forbes. Davis is purchasing agent for Macomber, Inc., Rock Island Steel Division.

District 3's Brueggemann Award Committee announced that this year's recipient of the annual Henry L. Brueggemann Award was Carl W. Failmezger, a member of the Purchasing Agents Association of Milwaukee. Henry Kropp of the Chicago association and award chairman, made the announcement.

Failmezger, who retired recently as purchasing agent for Wadhams Division of Socony Mobil Oil Co. at Milwaukee was cited for his work in furthering purchasing in general and for his particular efforts as public relations chairman of District 3 last

Paisley Boney Named District Vice President

Richmond, Va .- The District 5 Council elected its public relations chairman as vice president at its meeting here last month.

Paisley Boney, assistant manager of J. P. Stevens & Co.'s pur-



PAISLEY BONEY

chasing department, is past president and national director of the aronnas-v irginia Purchasing Agents Association and has served on many local committees.

In 1957, Boney received the Thomas Award for his work in advancing the purchasing profession.

R. E. Redman President Of El Paso Association

El Paso, Texas—The El Paso Purchasing Agents Association has named R. E. Redman as president for the 1959-60 session. Redman is with American Smelting & Refining Co.

Other officers chosen: R. O. Covington, American Smelting & Refining Co., first vice president; V. J. Lindquist, Car Parts

Ray Bosch to Head Up Cleveland P.A. Group

Cleveland—Purchasing Agents Association of Cleveland elected officers for 1959-60 at its April session. Ray Bosch, manager of purchasing and stores, TAPCO Group, Thompson-Ramo-Wool-

dridge, was named president.

Bosch succeeds Chester D. Jones, who was elected national Depot, Inc., secretary; Mrs. director. Other officers are: Wil-Addie Ross, State National liam H. Conant, Weldon Tool Bank, treasurer; W. L. Adams, Co., first v.p.; Stewart P. Brown-El Paso Electric Co., national ell, Cleveland Electric Illuminatdirector; J. E. Bimler, Standard ing Co., second v.p.; and Paul P. Oil Co. of Texas, alternate na- Averill, Warner & Swasey Co., secretary-treasurer.



CLEVELAND GROUP'S new officers, sitting left to right, Ray Bosch, William H. Conant, Stewart P. Brownell, and standing, Paul P. Averill.



Gulf makes things run better, with-

GULFCROWN

Here's a multi-purpose lithium base grease for bearings in heavy duty service.

It's a completely new bearing grease that effectively lubricates bearings operating under high loads, shock loads and with oscillating motion.

New Gulfcrown Grease E.P. will give you plenty of proof that Gulf makes things run better. It resists heat, cold, moisture and mechanical breakdown. It has excellent oxidation stability and protects against corrosion.

You'll find that this new grease pumps freely at 0°, yet stands up at temperatures to 250° F., and even higher under certain conditions.

New Gulfcrown E.P. is an unusually versatile multipurpose grease. For example, it gives excellent results in the lubrication of heavily loaded trunnion bearings ... steel mill work rolls and table rolls ... sliding dog clutches . . . spiral gear boxes . . . Banbury mixers . . . the bearings, cams and gears in textile looms . . . and

G.E. Gives Its Wholesalers Bid-Making Rights

Cleveland — General Electric price determination is made by has moved to create additional the link in its distributor chain municipal and state government cal wholesale agent. bodies by giving its wholesale dis-

dle bid prices on bulbs and tubes sumer. sought by governmental purchascould compete more easily if the determined the bid prices.

competition on lamp sales to closest to the customer—the lo-

Other provisions of the G.E. tributors more bid-making au- large lamp sales plan remain unority. changed. G.E. will continue to distribute lamps through its thorized wholesale agents for its agents and retain title until they Large Lamp Department to han- are sold to the ultimate con-

One principal effect of the new ing departments. By eliminating system will be to overcome secits previous single nationwide ap- tional price differences which proach to the municipal and state had put G.E. agents at a disadmarket, G.E. decided that it vantage when the manufacturer that the former policy squeezed and 1958.

City of Houston Drops **Earnest Money' Policy**

Houston—By relaxing its policy of requiring bidders on city contracts to post "earnest money," the city of Houston exyear through broader and sharper bidding.

Bidders had been required to post a cashier's or certified check for a fixed percentage of their bid. Now they will be able to post a bid bond as an alternative.

out many small businessmen.

C.C.C. to Use Plastic Bags to Ship Dried Milk Abroad to Save Money

Washington — The Govern-ernment Operations Committee, ment could have sliced \$7 million the G.A.O. estimated the pects to save about \$75,000 a off the cost of packaging cheese Commodity Credit Corp. could and dried milk if it had used have saved 2.2¢ a lb. by using plastic bags instead of tin cans plastic bags. The C.C.C. shipped

Councilman W. H. Jones, who of the two commodities to needy sponsored the idea, contended foreign nations during fiscal 1957

In a report to the House Gov-

for shipments abroad.

The General Accounting
Office, which acts as a watchdog
on federal expenditures, said the savings were possible on exports lion lb. of cheese were shipped in plastic containers out of the total 283 million lb. which were sent abroad.

Only Minor Spoilage

G.A.O. reports that the use of plastic bags was found to be satisfactory with only minor spoilage reported. The C.C.C. packaged the products, taken from surplus stocks, for shipping abroad by nonprofit voluntary groups.

G.A.O. said one of the nonprofit agencies reported tin cans were preferred by the needy foreign countries receiving them because of the "sales value of the empty cans."

But C.C.C. now has agreed that plastic bags should be used for shipping dried milk, but says that tin cans are preferable in

spoilage en route to the countries overseas.

Navy Ordnance Using Data Processing System

many cases for cheese to prevent

Mechanicsburg, Pa. - U. S. Navy ordnance has switched to electronics for control of its supplies to depots and the fleet. Heart of the system is a largescale data processing system which will govern ordnance supply operations in three major areas-technical records, inventory control, and shipboard allowance lists, as well as guided missile inventory, provisioning, price changes, and transaction item reporting.

The Navy said Burroughs Corp. installed the system at the ordnance supply office head-quartered at this central Pennsyl-

vania community.

Operation of the new electronic setup was turned over to the Navy last week at dedication ceremonies held here.

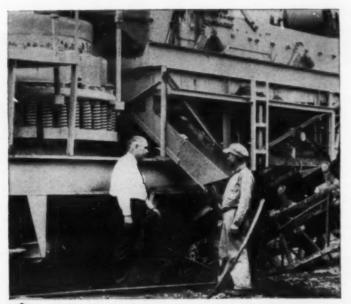
Westinghouse Grants Rights on Pure Silicon

Pittsburgh — Westinghouse Electric Corp. has granted licensing rights to Dow Corning Corp. and Monsanto Chemical Co. to produce and sell purest silicon."

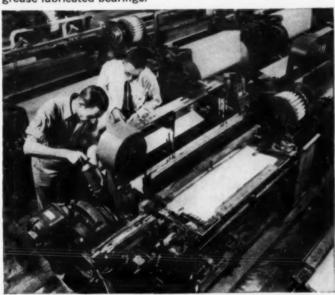
Both companies have been given patent rights and technological information on the Siemens-Westinghouse process to manufacture ultra-pure silicone. Westinghouse says impurities in the material amount to less than one part in 6 billion.

New Division Created

Owatonna, Minn. - Owatonna Tool Co. has organized a new hydraulic division to concentrate on the hydraulics part of the regular O.T.C. line of tools and hydraulic equipment. The division also will design and manufacture complete hydraulic pumping units.



In hard-working equipment, like stone crushers, new Gulfcrown Grease E.P. withstands extremely high shock loads in



In textile mills the excellent residual anti-weld properties of new Gulfcrown Grease E.P. makes it the ideal lubricant for loom bearings, cams, pick balls and gears.

In steel mills, new Gulfcrown Grease E.P. will successfully withstand the high temperatures and extreme pressures encountered in the lubrication of work rolls and table rolls.

GREASE E.P.

a host of other heavy-duty industrial applications. Gulfcrown E.P. can be used for electric motor bearings, fans, pumps and for nearly every type of application. Can be applied through centralized systems or by gun. Available in NLGI consistencies 0, 1 and 2.

Find out how Gulfcrown E.P. can improve your operation and help you get lower maintenance costs. Call your Gulf Sales Representative at the nearest Gulf office. Meanwhile, mail coupon for new booklet.

GULF OIL CORPO	6	ULF)
Please send book Gulfcrown Grease		
Name		
Name		
Title		

Kennametal's Campaign Stresses Direct Labor and Machine Costs

'Profit in Retiring a Tradition' Theme Points Up Economies of Throw-Away Type Tools, Inserts

Kennametal's idea is not new,

costs and up production in the

Pa.—Seeking a tools, many have not taken adchange in concept of machine vantage of harder grades of carhas started a campaign to spot-tooling, Kennametal engineers light relative importance of tool point out. costs and fixed machine expenses costs per piece.

much importance is put on life competition. and cost of small, expendable or "perishable" cutting tools when charges such as direct labor and machines should get cost analysis attention. To get its point across, the company has prepared a booklet, "There's Profit in Retir-ing a Tradition." The title also is the theme of Kennametal's sales program, advertising, and direct mail promotion.

Kennametal points out that for many years maximum tool life was considered essential to efficient machining. This minimized the cost of regrinding and erratic tool life from reground tools. But with the introduction of fast-indexing, throw-away type inserts, the shortening of tool life became more economical and increased production. This system holds true on jobs with a long machining cycle in relation to load and unload time.

Although most shops are familiar with throw-away insert

Lavino Plans to Build Magnesite Facilities

Freeport, Texas-B. J. Lavino Co. has reactivated plans to build a \$3 million magnesite plant in the Brazosport area.

The Lavino plant will produce high grade magnesite (periclase), which is a component of the refractories made in the Lavino plants in Philadelphia.

Lavino is one of the principal suppliers of fire resistant materials for the production of steel copper, power, and other major industries

In 1957 Lavino announced plans for building an \$8 million plant south of Freeport on land to be purchased from Freeport Sulphur Co. This plant was to have been in full production by mid-1959.

The company temporarily abandoned its plans during the recession.

Polyethylene Output Up

Longview, Texas-With the completion of expansion plans here, Eastman Kodak Co.'s Texas Eastman Co. division expects to raise its production of polyethylene to 100 million lb. by June 1. The production increase is the company's fourth since it began production in October 1954.

Glass Container Plant

Tampa, Fla.—Plans have been completed to erect a \$3.5 million glass container plant in this city's Industrial Park. Thatcher Glass Mfg. Co. purchased a 30-acre site under an option agreement. The facilities are expected to produce 100 million glass bottles for the Florida market.

Paper Firm P.A.'s Idea **Sparks Container-Toy**

Ft. Wayne, Ind .- A corrugated shipping container with "play-appeal." The idea developed for North American Van Lines by Mead papers was sparked by efforts of Purchasing Agent Don Coffman and other top company officials to brighten tool practices, Kennametal, Inc., bide available for this type of up the household moving firm's packing boxes. The result (right) was a moving container which a child can easily convert into a as they affect over-all machining but it feels this system can cut sturdy toy after the movers install the family in its new home. Kennametal believes that too face of keen foreign and domestic N.A.'s former box design is uch importance is put on life competition.



Convertible container-toy replaces N.A.'s old carton.







Swinglin seen on more desks across the nation than any other brand! Why? Because only SWINGLINE OFFICE STAPLERS have the famous open-channel for split-second loading...jam-proof performance. Exciting Jeweltone colors, ultra-modern design. No. 4 is a master desk stapler, holds 210 staples. No. 3 is a shorter desk model,

holds 105 staples. No. 27 is a rugged one, holds 210 staples, can be imprinted with your company name, too! All sensibly priced. Contact your stationery supplier...today!







11 Lead-Zinc Exporting Nations Holding Down Surplus Shipments

New York—Decision of various lead and zinc producing and exporting nations to voluntarily cut back world supplies of the surplus metals drew a mixed response last week.

Some U. S. lead and zinc industry members approved the scheme calling it at least a "step in the right direction." But mining experts in Washington felt too much optimism was attached to the U.N. group's effort to tighten the market.

Washington reaction was that current market conditions will call the turn-not loose voluntary agreements made in New York

The United Nation's Lead & Zinc Committee meeting had ended after a two-week session with 11 of 20 nations announcing supply cutbacks. In a simultaneous development, a 30-nation group decided to seek establishment of a permanent lead-zinc international study Picture at right shows the magroup designed to promote price agreements.

In the temporary committee sessions, individual nations and producers volunteered cutbacks ranging from 2 to 10% in the two metals.

The committee admitted the voluntary setup was a loose one, easily overturned if one or more nation moved to take advantage of the others by boosting production or exports. And even with the reductions, world supplies of the metals will continue to mount, according to current production estimates.

Nevertheless, the voluntary agreements had an immediate effect in the lead market. U.S. domestic lead prices advanced 1/2 ¢ on May 7, due partly to increased demand and partly to the expressed willingness of producer-exporter nations to initiate cutbacks.

Vanadium-Alloys Steel **Expanding Production**

Latrobe, Pa. — Vanadium-Alloys Steel Co. has completed a \$3.5 million expansion program which includes new additions to its fine steel production, finishing, and delivery capacities

Principal improvements are: new vacuum smelting furnace, new rolling mills, and a continuous controlled atmosphere annealing furnace here and a 2,000ton vertical hydraulic forging press at the firm's Colonial Steel Co. Division in Monaca, Pa. In addition, all auxiliary heating and handling equipment and additional test and inspection facilities have been installed

Du Pont Builds Second 'Mylar' Polyester Plant

Florence, S. C .- Du Pont Co. will erect its second "Mylar' polyester film plant here at an estimated cost of almost \$20 million. Construction will begin next month with completion expected early in 1961.

The plant will provide a second source of supply for "Mylar" convenient to Eastern markets and nearly double production of the packaging film. Commercial production started at the com-pany's Circleville, Ohio, plant in 1954. Since then, facilities at Circleville have been expanded with the latest expansion scheduled to go on stream early in 1960.

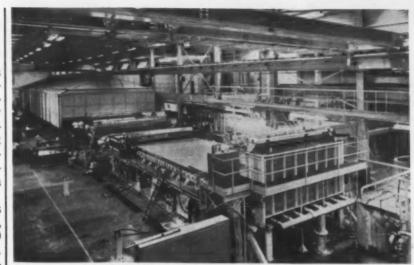
Conkey Acquires Firm

Mendota, Ill.—H. D. Conkey & Co. has purchased Spartan Tool Co. of Chicago, manufacturers of Spartan power-driven drain and sewer line cleaning machines, sewer cable, and cutting tools.

Ecusta Division Installs Modern Paper Machine

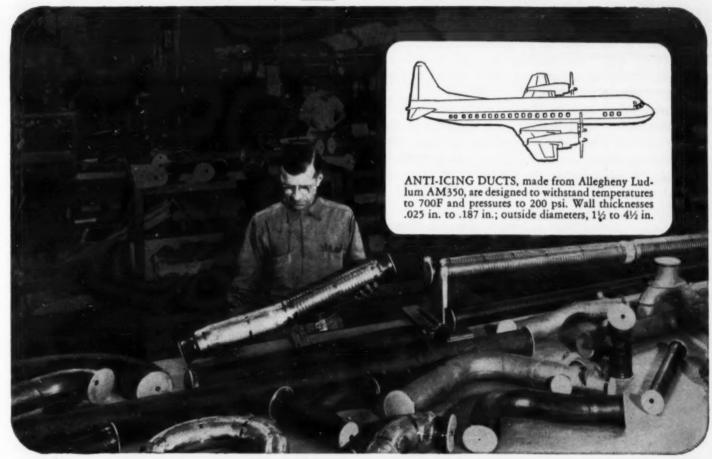
Pisgah Forest, N. C.—Ecusta Paper, a division of Olin Mathieson Chemical Corp., has installed a new lightweight paper producing machine, which it describes as the largest and most automatic in the industry. It represents the core of a \$6.5 million investment at the Ecusta plant here.

The Fourdrinier machine gives Ecusta 35% more production, produces papers from 15 to 60 lb. weight, and increases quality. chine in operation.



Huge Fourdrinier lightweight paper machine installed.

Experience—the extra alloy in Allegheny Stainless



made from Allegheny Ludlum precipitation-hardening stainless:

Prop-jet's anti-icing ducts take high heat and pressure in stride

The anti-icing system of a new prop-jet airliner was designed to operate under high heat and pressure, yet the ducting had to be as light as possible. AM350 was specified. Both AM350 and AM355, Allegheny Ludlum's precipitationhardening stainless steels, have strength/weight ratios at 600F five times greater than the usual aluminum aircraft alloy. In fact, AM350 and AM355 maintain high strength

from room temperature up to 1000F.

These space age metals have other properties highly desirable: excellent corrosion resistance, ease of fabrication, low temperature heat treatment, good resistance to stress corrosion.

These features have been used to advantage in airframe structural members, airframe skins, pressure tanks, power plant components, high pressure ducting, nacelles and other missile and supersonic aircraft applications.

availability: AM350, introduced several years ago, is available commercially in sheet, strip, foil, small bars and wire. AM355, best suited for heavier sections, is available commercially in forgings, forging billets, plates, bars

corrosion resistance: Compared to the more familiar

stainless grades, AM350 and AM355 resist corrosion and oxidation better than the hardenable grades (chromium martensitic) and only slightly less than the 18 and 8's. They resist stress corrosion at much higher strength levels than do martensitic stainless grades.

simple heat treatment: High strength is developed by two methods. Both minimize oxidation and distortion problems. The usual is the Allegheny Ludlum-developed sub-zero cooling and tempering (SCT): minus 100F for 3 hrs plus 3 hrs at 850F. Alternate method is Double Aged (DA): 2 hrs at 1375F plus 2 hrs at 850F.

easy fabrication: AM350 and AM355 can be spun, drawn, formed, machined and welded using normal stainless procedures. In the hardened conditions, some forming may be done . . . 180 degree bend over a 3T radius pin. Also AM350 can be dimpled in the SCT condition to insure accurate fit-up.

For further information, see your A-L sales engineer or write for the booklet "Engineering Properties, AM350 and AM355." Allegheny Ludlum Steel Corporation, Oliver Building, Pittsburgh 22, Pa. Address Dept. PW-17.

ALLEGHENY LUDLUM





Can George Do It Alone?

bill which has been soundly challenged as an invasion of the industrial purchasing agent's right to buy has passed its first hurdle and is before the Senate Judiciary Committee. It is the controversial S-11 which Sen. Estes Kefauver and Rep. Wright Patman, sponsor of a similar measure in the House, feel will strengthen the Robinson-Patman Act by restricting its "good faith" defense.

The fact that the bill was reported out by Kefauver's Antitrust & Monopoly Subcommittee is something of a paradox—if you consider the Tennessee Democrat's position as an arch-foe of administered pricing and other market factors he condemns as non-competitive. Leading purchasing and industrial spokesmen denounced S-11 before Kefauver's group as a potential purchasing "strait jacket" and promoter of "price rigidity."

By now most industrial buyer groups throughout the country have heard or read the specific reasons why S-11 has been condemned as a below-thebelt blow not only to the industrial purchaser but to the national economy as well. Purchasing Week has reported on opposition stands taken by the National Association of Manufacturers, the Chamber of Commerce, and top manufacturing groups in numerous vital industries.

It is on these points, emphasizing precisely where the national welfare would be undermined, that individual P.A.'s now have an opportunity to alert key members of Congress. No postcard or form letter campaign, no matter how well organized, can ever torpedo this legislation as effectively as a P.A. speaking his mind on specific issues.

S-11 would still permit a seller to use the "good faith defense" in price reductions—but only if he proves that effect of his reductions do not "substantially . . . lessen competition or tend to create a monopoly in any kind of commerce, in any section of the country . . . "

S-11's backers argue they need the restrictive effect of the bill to protect small business and the general economy from predatory pricing policies of major firms. Purchasing's basic reply, of course, is that the vague phrases above would severely handicap forces beneficial to one of the national economy's (and purchasing's) prime assets-legitimate price competition. Instead of promoting competition, S-11 would tend to dry up supply sources and create new price rigidities and monopolies.

The complexities of the situation require frank public debate not only in purchasing groups but in other management categories as well. It is a matter for consideration outside the industrial community, too-in local civic and

Thus, S-11 comprises more than a threat to purchasing's right to buy. It also poses a direct challenge to purchasing management leadership. By purchasing's own definition, who is better equipped to press the fight?

Up to now Washington sources have not given S-11 a high rating for eventual passage. But the House barreled a similar measure through in 1956, so why take a chance now?

Can purchasing afford to adopt a "let George do it" attitude? What if it turns out he couldn't do the job alone?

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Your Follow-Up File

Likes P.W.'s Fine Coverage

Coshocton, Ohio

I have read with interest your articles in recent issues covering the Railway Express situation ("Investment House Bids for Railway Express," April 27 '59, p. 1, etc.), and I have just read your editorial on this subject ("The Railway Express Story, p. 10) in the May 4 issue. I would like to congratulate you on the fine coverage you have given your readers on this topic.

I am a subscriber and regular reader of Purchasing Week and find it a very helpful publication. Not only is it to the point and easy to read, but also it gives a very complete coverage of current-day happenings which are of vital interest to purchasing people.

N. L. Harris

Purchasing Agent Laminated Products Department Chemical & Metallurgical Division General Electric Co.

Ultrasonic Cleaner Omission

Metuchen, N. J.

The very excellent article entitled "How to Evaluate Ultrasonic Cleaners" (April 27 '59, p. 18) was read with a great deal of interest by us.

However, we were the unfortunate victim of a typographical error under the listing "Average Power."

Gulton Inustries manufactures a line of ultrasonic cleaners whose average power is from 50 watts to 2,000 watts. It was the latter figure which was omitted—I am sure inadvertently.

Once again, our congratulations on a very fine article.

James G. Hamelin Manager Advertising and Public Relations Gulton Industries, Inc.

 You are right—the ommission was unintentional. We are sorry.

Interested in Value Analysis

Detroit, Mich.

We have had a request from our parent organization in Sweden to obtain for them articles dealing with value analysis and make or buy decisions. I recall that you have had some

very valuable articles recently on value analysis and would appreciate reprints. Also, if available, would you furnish reprints of any articles which you may have run concerning make or buy.

Your newspaper is received each week and the members of our staff enjoy very much reading the articles and news items.

W. T. Thompson Manager-U. S. Office AB Volvo

• Reprints and/or tear sheets are

"Experts Aid Purchasing men by answering Pertinent Questions on Value Analysis . . . " and ". . . But Fred Sherwin's Answer is That Value Analysis Enables P.A.'s to Increase Savings," Jan. 26 '59, pp. 12 and 14:

"Army Ordnance Turns to Value Analysis; Design and Procurement Installations Affected" Dec. 22 '58,

"Team Offers Purchasing Men Value Analysis," Dec. 15 '58, p. 1; "Value Analysis Profitable Tool

Only If All Profit, All Cooperate," May 5 '58, p. 12;

"Should We Make, or Should We Buy?" June 23 '58, p. 16.

Headlines Are Eye Catchers

Toledo, Ohio

I have subscribed to several magazines on the subject of purchasing but your weekly seems to be the first periodical in which some thought has been given to presenting an intelligent

I feel personally, the headline eye catchers are of particular benefit for speed reading.

I am looking forward to not only keeping up to date with current purchasing news but also obtaining real benefit from the tips on what others are doing in this profession.

Again, my congratulations to you on the job you are doing.

H. L. Hammer Purchasing Agent Toledo Plate & Window Glass Co.

P.W. Found Greatest Help

Syracuse, N. Y.

Will you send us five copies each of "There Are Many Methods of Meeting Your Duplicating Problems" (March 30 '59, p. 12) and "Select Your Copying Machine After Studying These Detailed Descriptions" (Sept.

29 '58, p. 19). May I take this opportunity to tell you that in my 30 years of purchasing, of all the publications we have received, Purchasing Week has been found to be of the greatest help to us.

> E. E. Thompson Purchasing Agent Syracuse University

Truck Leasing Stirs Interest

New York, N. Y.

We are interested in receiving any literature or articles that you may have on truck leasing pros and cons.

Joseph G. Chetneki Traffic Manager Emile Regniers Co. (U.S.A.) Inc.

Cincinnati, Ohio

I would appreciate receiving several copies of "What You Should Know About Truck Leasing" Robert Moffett (April 6 '59, p. 13).

C. W. Senkbeil Cincinnati Plant Purchasing Agent Trailmobile, Inc.

 Tear Sheet copies also are available of:

"Trend to Leasing Grows Stronger; More P.A.'s Join," May 4 '59, p. 1; "More Firms Leasing Cars, Truck Fleets," Dec. 1 '58, p. 9, "Leasing Can Speed Modernization," Oct. 6 '58, p. 32; and "Leasing Trucks Frees Your Working Capital," Jan. 20 '58, p. 16.

To Our Readers

This is your column. Write on any subject you think will interest purchasing executives. While your letters should be signed, if you prefer we'll publish them anonymously.

Send your letters to: "Your Follow-Up File," PURCHASING WEEK, 330 West 42nd St., New York 36, N. Y.

PURCHASING WEEK Asks You . . .

What's your policy on steering salesmen to other departments?



W. L. Vaughan Solar Aircraft Co., San Diego

"Each of our buyers has an individual office which allows for private audience for discussion and negotiation. We also have three separate conference rooms located within the purchasing division where salesmen can be interviewed by individual members of other departments, such as production engineering, etc. This procedure places control of this often difficult problem in its proper area within the confines of the purchasing activity and still allows the latitude necessary to achieve cooperation of all."

A. B. Southworth Parker Pen Co., Janesville, Wis.

"We have a very open mind on this because we firmly believe that good public relations are as valuable an asset among our suppliers as among our customers. Therefore, if a salesman really has something of value to offer, that is of interest to other departments, we arrange for him to see, whenever possible, the head of that department. The decision is made and the appointment is arranged by the buyer who interviews the salesman."





R. B. Fuller Stanley Aviation Corp., Denver

"We have all salesmen see our purchasing department buyers first. After a review of problem, potential usage, or application offered by the salesman, our buyers contact the various department heads involved. If there is a common interest, the buyer conducts the salesman to the department involved and participates in the discussion. All inquiries at the reception desk directed to other departments are screened by purchasing and contacts to vendors by other departments are made through purchasing."

National Pneumatic Co., Inc., Boston

"Ordinarily, except for non-production items, we don't steer salesmen to other departments. However, a salesman with a new product or suggestion for a change in material will be referred to a representative of our engineering department. We also bring in our engineering or quality control people when questions arise as to quality. For non-productive items, we find it often saves time to have the salesman talk with the person requisitioning the supplies. In all cases salesmen first clear through purchasing."





R. J. Niehaus Hercules Motors Corp., Canton, Ohio

"We believe salesmen should have access to those departments that can best benefit by their product and/or knowledge. However, we insist that all sales people first make contact with the buyer who would purchase the product or service. Back-door selling is not tolerated. If the product requires the approval of the production or engineering departments or the buyer believes the salesman has knowledge that would be helpful to other departments, the buyer makes the appointment for the salesman."

A. D. Goodwin & Son, Inc., Manteca, Calif.

"It has been my policy to try and screen sales people closely. When I feel one has something of merit and adaptable to our manufacturing, I introduce him to our design engineer or shop supervisor for further discussion. This has often brought forth considerable improvements in design as well as cost economies. Salesmen definitely have their place in the purchasing agent's daily routine."





E. J. Heup Bucyrus-Erie Co., South Milwaukee, Wis.

"Our policy is clearly spelled out in the job description of the purchasing agent or buyer which states he is responsible for internal contacts with other departments regarding furnishing of information, advising, and conferring on the selection of material and items to be purchased. He must be the eyes and ears for his company in the development and utilization of new products, methods, and ideas. This means our purchasing agents must steer salesmen to other departments."

This Changing Purchasing Profession . . .

N. C. Stiles, J. C. Fisher Advanced by Chemstrand Corp.





N. C. STILES

J. C. FISHER

Decatur, Ala.—Norman C. Stiles has been named director, Foreign Services, for Chemstrand Corp. John C. Fisher succeeds him as director of purchases.

As part of his new assignment, Stiles will coordinate the company's relations with overseas affiliates. He has been with the firm close to eight years and has been serving as chairman of the Heavy Chemical Section, Chemical Buyers Group of the N.A.P.A.

Fisher joined Chemstrand in September 1951 as a buyer in the purchasing department and had been staff purchasing agent before his promotion. Both he and Stiles are members of the Purchasing Agents Association of Alabama.

Francis M. Sprinkel, purchasing agent and director of operation, Southern Steel & Stove Co., Richmond, Va., has been made administrative vice president in charge of operations.

Maurice R. Manner has been appointed purchasing agent for Matson Mfg. Co., Inc., Long Island City, N. Y.

John A. Burnett has been promoted to purchasing agent of the Bessemer & Lake Erie Railroad, the Union Railroad, the

Johnstown & Stony Creek Railroad Co. and the Connellsville & Monongahela Railway Co., Pittsburgh. He succeeds Joseph W. Rodgers.

John M. O'Grady has been named purchasing agent of the Textileather Division of General Tire & Rubber Co., Toledo.

G. A. Jackson has been advanced to director of purchases, Champion Paper & Fibre Co., Hamilton, Ohio. He succeeds Lewis K. Johnstone, who was named director of the firm's new pulp marketing department earlier



G. A. JACKSON

this year. Jackson joined the company in 1949 and in 1956 was made manager of the Texas Division's purchase, stores, and traffic department.

Obituary

Edward R. Leavens, 79, retired purchasing agent of Sibley, Lindsay & Curr, Rochester, N. Y., died May 5.

Change Your Job?

Purchasing Week would like to have notification of all changes in purchasing personnel including appointments, promotions, and retirements. Obituaries, even of retired personnel, are sought. Please send material to Editor, "This Changing Purchasing Profession," Purchasing Week, 330 W. 42nd St., New York 36, N. Y.



New 36-page catalog in full color shows you how to Stop Rust — and provide lasting beauty in your choice of colorful Rust-Oleum finish coatings on tanks, girders, metal sash, pipes, boilers, stacks, metal fences, fire escapes, and many other applications. Includes over one-hundred actual color chips — plus important application photos, surface preparation data, and technical information. Request your FREE copy of Rust-Oleum Catalog No. 257—today!

Rust-Oleum Corporation • 2587 Oakton Street • Evanston, Illinois

RUST-OLEUM



A matter of excellence.

RUST

Your nearby Rust-Oleum Industrial Distributor maintains complete stocks for your convenience.

'Hey, Mr. Walter, our inventory is building up over here!"

When you receive a comment like this from an hourly-roll employee handling cartons, you know your educational program is paying off.

This was the recent experience of Jack Walter, material manager at the television receiver department of General Electric in Syracuse. Seven years ago, as part of his material manager's job, he started an educational program to acquaint all employees with the importance of controlling material inventory.

And to supplement the educational program, improved methods were adopted to keep inventory at a minimum. This plant now has one of the highest inventory turnovers in the TV industry. It was obtained through techniques pictured here, some of which you may find useful in your own plant.



EFFICIENT materials handling begins at the receiving dock, unloading directly from freight car. Good scheduling of 36 cars/day has eliminated demurrage.





PARTS FOR EACH DAY'S production are loaded from stores side of conveyor on the second shift. First shift next day is issued just enough for day's work.

0



TWO-WAY RADIO on material truck controls movement throughout plant. Trucks previously were busy only 30% of the time, returning each time for assignment.



SCOREBOARDS throughout plant record progress in meeting scrap bogeys. Others remind plant personnel of material cost. Both are part of educational program.



COMPUTER can identify all material in plant within one hour for engineering changes. In volatile TV industry, this kind of control reduces losses.



RECEIVING inspection processes all small parts immediately. Lower conveyor takes them to stores. Nothing stays on dock more than one day before stocking.



ALL ENTRIES at receiving are machine made, decreasing errors. Flexowriter sends information directly to accounting and material control for record.



OVERHEAD CONVEYOR line for picture tubes is loaded directly from rail car. There is no intermediate storage; inventory is stored on the conveyor line.



SAME CONTAINERS in which empty television cabinets were received are used to package completed receiver at end of production line. This reduces costs.



"PERSONAL INSPECTION of material throughout the plant, twice a day, confirms the other controls we have. It was on such a trip I received the above comment," says Jack Walter.

By careful management of materials, the program directed by Jack Walter has reduced inventory to one-quarter what it was seven years ago.

Heart of the plan is the integration of the scheduling, planning, procurement, and material handling throughout this television receiver plant. The single yardstick used to measure integrated material activities is total cost.

Direct benefits of the inventory control program include lower freight costs (no demurrage for 2 years); reduced premium freight costs (through consolidation of small shipments); greater efficiency of personnel (material control section requires only ¼ of personnel); release of dollars from stored assets into product development or improvement.

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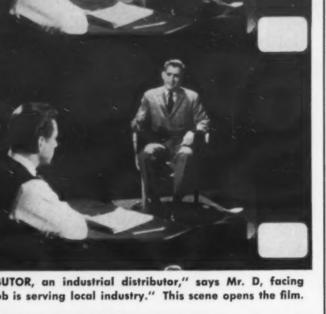
highest

another reason to specify POLYPENCO® TEFLON'

and TFE fluorocarbon



"I'M A DISTRIBUTOR, an industrial distributor," says Mr. D, facing stock shapes camera. "My job is serving local industry." This scene opens the film.



Polymer's rigid quality controls assure you consistent top quality TFE fluorocarbon stock shapes to · eliminate in-process waste.

· assure utmost reliability of finished product.

All stock is inspected and tested from raw material to the finished product. The result: Constant electrical and physical properties, uniform density and maximum dimensional

POLYPENCO engineering assistance is available to help your technical staff make the most of Teflon's valuable electrical, mechanical and other desirable properties. For information on this "plus" service and for technical bulletins or purchase specifications, write to The Polymer Corporation of Penna., Dept. T, Reading, Pa.

Prompt Delivery of shapes and sizes to meet your needs from distributors and sales representatives in all major cities.

TEFLON STOCK SIZES AVAILABLE

Diameter: 1/8" to 71/4" in various lengths

TUBING (rigid) O.D. ½" to 12" I.D. ¼" to 6¾ depending on O.D.

SHEET Thickness: 1/16" to 2" Sizes: 12" x 12", 24" x 24",

and 48" x 48" Thickness: .001" to .125"

Widths: 1/4" to 18" Ten fade-proof colors SPAGHETTI TUBING

Thin and regular wall thicknesses Ten fade-proof colors for coding THIN WALL TUBING

Wall thickness: .030" to .050" ROUND AND SQUARE BEADING Round: Diam. .030" to .150" Square: .020" to .156"

across the sides Custom fabrication available if desired

> Visit Polymer Booth No. 315 Design Engineering Show Philadelphia, May 25 to 28



THE POLYMER CORPORATION OF PENNA

Reading, Pa. Export: Polypenco, Inc., Reading, Pa., U.S.A. *DuPont trademark for fluorocarbon resins



TWO "STARS" OF FILM—one, the P.A. who buys from distributors whenever possible; the other, one who buys direct from manufacturers.

P.W. Previews New Film On Distributors' Services: Highlights Benefits to P.A.'s

Standard Pressed Steel Co. Produced the Film Starring Two P.A.'s; Movie Available on Loan

> TITLE: A Talk with Mr. D **RUNNING TIME: 19 minutes** FILM DATA: 16 mm., color & sound SPONSOR: Standard Pressed Steel Co.

film believably extolling the vital turers. role of industrial distributors. De-

This is a polished, well-acted other buys direct from manufac-



MR. D PRESENTS his case well in film, "A Talk With Mr. D." Put to test in Mike Wallace-style interview, Mr. D answers all the questions.



"SHUTDOWN-PARTS NEEDED!" Stores man of P.A. who buys from distributor remains cool. The parts are in stock due to Mr. D's reminder.



LARGE AND VARIED STOCKS of distributors are only part of service to P.A.'s. Says Mr. D in the film, "Our job only begins with inventory."

and so on. All scenes are of ing, situation-well-in-hand man. either the Mr. D interview, or flashes to across-the-desk daily drama between P.A.'s, distributor salesmen, and production and engineering people at the P.A.'s plant. Situations are familiar, believable to P.A.'s.

The P.A. who buys direct from manufacturers is shown as a harried individual faced with viewing by P.A. groups. lengthy, unfriendly negotiations with distant suppliers, late deliveries, and stock-outs. Almost The film shows various services pointedly, the film makes it clear picted as a Mike Wallace-type distributors regularly extend to this P.A. buys direct only beinterview with Mr. D.—industrial distributor—the film also "stars" ventory reminders, quick detwo purchasing agents. One P.A. liveries, minimized paperwork, P.A. who buys through distributor—the film also "stars" ventory reminders, quick detwo purchasing agents. One P.A. liveries, minimized paperwork, P.A. who buys through distributions are also as a state of company policy. In contact the paperwork, and the paperwork is a state of company policy. In contact the paper work is a state of company policy. In contact the paper work is a state of company policy. In contact the paper work is a state of company policy. In contact the paper work is a state of company policy. In contact the paper work is a state of company policy. In contact the paper work is a state of company policy. In contact the paper work is a state of company policy. In contact the paper work is a state of company policy. In contact the paper work is a state of company policy. In contact the paper work is a state of company policy. In contact the paper work is a state of company policy. In contact the paper work is a state of company policy. In contact the paper work is a state of company policy in contact the paper work is a state of company policy. In contact the paper work is a state of company policy in contact the paper work is a state of company policy. In contact the paper work is a state of company policy in contact the paper work is a state of company policy. In contact the paper work is a state of company policy in contact the paper work is a state of company policy in contact the paper work is a state of company policy in contact the paper work is a state of company policy in contact the paper work is a state of company policy in contact the contact the paper work is a state of company policy in contact the cont buys through distributors, the effective manufacturer liaison, tors is shown as a pipe-smok-

P.A.'s who view the film may well and long discuss the "gray shades hidden in the film's black and white portrayal of distributor vs. manufacturer purchases. In that way the film can be provocative of worthwhile "buzz" sessions at P.A. meetings.

At any rate it is certainly worth

This film is available on loan for showing to P.A. groups. There is no charge for loan. To obtain film, contact Standard Pressed Steel Co., Audio Visual Department, Jenkintown, Pa. Another PLUS value...

CUTS CORNERS

ON COSTS

Foreign Perspective

London-First reaction to the United Nations pow-wow on lead and zinc ploy Canadian stylists to keep up with resulted in diverging price trends.

Lead movements actually continued downwards, reflecting the belief that dian firms are opening their own plants output cutbacks suggested at the U.N. meeting were too small.

Zinc however, went ahead on its own continuing a rise which just recently took the metal to its highest point since last November.

Other metals here recently have been sensitive-with stateside labor trouble talk unsettling copper, and tin prices fluctuating at pretty high levels.

Aluminum, meanwhile, is attracting attention with speculation about likely price changes this year. Chairman Ivan Stedeford of British Aluminium pointed to impressive opportunities for expansion in the metal, with growing market uses in the U.S. and Britain.

Present difficulties in the industry, however, plus the possibility of a hike in stateside prices later this year are prompting Britishers to think that prices eventually may be raised in London.

But don't forget how competitive the industry is nowadays. That's a factor operating against price hikes.

Winnipeg-Japanese textile imports are beginning to hurt Canada's growing garment industry.

> Winnipeg's garment center, the largest in Canada, has warned that unless Japanese imports are drastically reduced, most of the local plants will have to cease production.

> The manufacturers' complaint clashes head on with western Canada's farming interests, since Japan has been one of the largest cash-paying customers for Canada's hard wheat. Canadian grain sales to Japan have been so large that despite increased Canadian imports, Japan continues to show a large trading deficit with Canada.

This, however, is of little consolation to the garment industry. A spokesman for the Canadian Apparel & Textile Manufacturers' Association said most Japanese can undercut Canadian prices at any level be welded into pipe sections before delivby 25 to 50%—and in many cases even ery to the U.S.S.R.

Canada, it is immediately air-mailed to 80 kilometers (50 miles). It may be used Japanese firms and within days is avail- for the recently announced big expansion able to the Canadian retailers.

Many Japanese manufacturers em- '59, p. 8).

the trends-and several eastern Canain Japan to take advantage of cheap labor costs there.

Paris-French industry is studying proposals to help underdeveloped nations build up oil refinery capacity.

Pakistan is the latest country under study. A group of technicians from the French Oil-Engineering group "Cie Francaise Technip" has been in Karachi for a month. They're about to prepare a report advising on capacity and necessary installations for a new Pakistani re-

Cie Francaise Technip was set up last year to do engineering studies on complete refining and petrochemical plants. The company is jointly owned by three French-Government-controlled oil agen-

Spain is another country that has recently received help from this combine. A 5,000-ton a year installation for producing cetanes already has been set up

Bonn—Three-way trade patterns are developing between West Europe and the Soviet Union.

The latest involves some 15,000 metric tons of coarse steel sheet material which the Soviets have purchased from Austria.

The sheet is being shipped to a West German firm in Duesseldorf where it will

The total length of pipe possible from As soon as a new style appears in the 15,000 metric tons of steel material is in Russian pipelines (see P.W., Mar. 9,

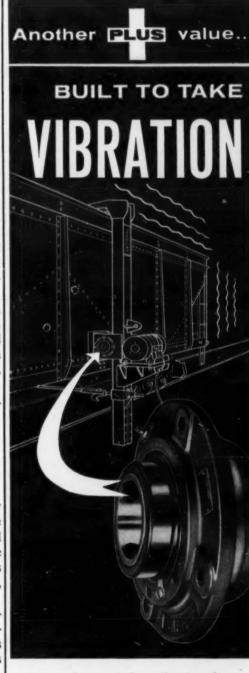
Plastic Strengths Improved By Adding Aluminum Powder

Paris—A French aluminum producer reports that strength and wear properties of many plastics can be substantially improved by the addition of aluminum powder.

In some aluminum-plastic combinations, impact strength is 60% better and flexible strength improved as much as seven times, according to L'Aluminium Francais. The French report also contended that dimensional stability of the product is improved and the combinations do not accumulate static electricity.

The company said it uses a mixture of 60% 15-45 screen, 20% 45-140 screen, and 20% 140-and-up screen. Proportion of aluminum powder mixed with the plastic ranges from 40 to 70%.

L'Aluminium said it has worked with a variety of plastics, and in general the powder can be mixed with any plastic that will adhere to aluminum and is chemically compatible. It recently began marketing an aluminum-nylon combination.



Economic Conference Working to Establish A Long-Sought After Latin Common Market

American trade leaders opened an economic conference here last week which trade arrangement similar to the Central advance reports indicated was geared for American group. The goal of these creation of a long-sought Latin Common treaties is gradual elimination of tariffs

Foundation for common market co- modern industry. operation by Latin countries already had nations last January launched their first tion of tariffs and other trade hindrances experiment in regional trade unity. This and integration of facilities. Proposals which became effective this year when three of the five countries (Guatemala, Nicaragua, and El Salvador) ratified it. Approval by Costa Rica and Honduras is anticipated soon.

Europe's successful inauguration of its long range common market treaty this year also was considered a prime force arrangements in operation on this side of the Atlantic.

Representatives of the United States, France, Britain, and Holland joined economists, diplomats, and trade officials from all 20 Latin American republics when the United Nations Economic Commission for Latin America (E.C.L.A.) convened here at mid-week.

Panama City—Central and South Argentina, Brazil, Chile, and Uruguay -recently moved to set up a similar free and consequent development of new,

A working group of the U.N. combeen laid in Central America where five mission has already proposed eliminawas embodied in a Multilateral Treaty for of this sub-committee were to be consid-Free Trade and Economic Integration ered as the basis for a draft agreement setting up the long-range goals and operations of the proposed common market.

West German Export Guide Of Products Just Off Press

Bonn-A new purchasing guide to West German exports has just come off behind efforts to get similar economic the press. It is the 1959-60 West German export directory—"B.D.I.-Germany Supplies"—published by the Federation of German Industries.

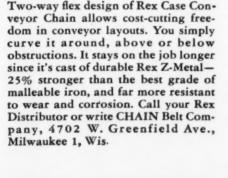
The 2,500 page directory, printed in German, English, French, and Spanish, contains an alphabetical index of more than 75,000 industrial products, trade marks, and manufacturers' addresses. Priced at \$10, it is available from Bundesverband der Deutschen Industrie, Several other South American nations 2/12 Habsburgerring, Cologne.

loosens tons of coal, Shafer Bearings keep their steel grip on longer life.

This reserve stamina stems from exclusive bearing design and precision construction. Concave rollers matched to convex raceways are of highly elastic, case-hardened alloy steel. With every shock, rollers compress, increasing bearing surfaces.

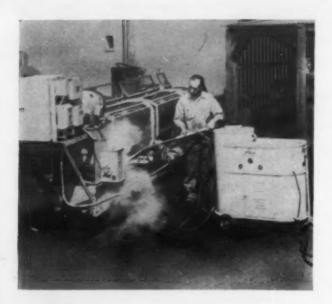
Even under misalignment, Shafer Bearings roll safely with the punch. See your nearby distributor or write Chain Belt Co., 4702 W. Greenfield Ave., Milwaukee 1, Wis.







Here's your weekly guide to . . .



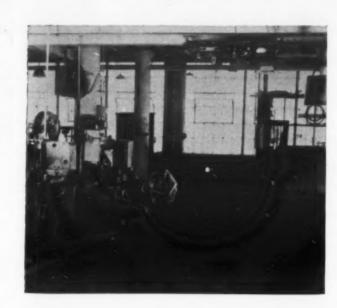
Steam Cleaner

Completely Portable

Speedysteam 100, portoil-fired steam-jet cleaner delivers 100 gph. at 150 psi. Mounted on four rubber wheels, the cleaner is completely enclosed with a built in soap tank and controls. It can be operated on kerosene or fuel oil. Steam is produced 90 sec. after unit is turned on.

Price: \$485. Delivery: 30

Pantex Mfg. Corp., Pawtucket, R. I. (P.W., 5/18/59)



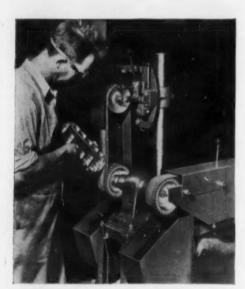
Floor Patch

Acid Resistant

P-D-Q Floor is a quick drying acid resistant patching compound which may be used both indoors and outside. It bonds securely to concrete, brick, stone, wood, steel, or glass block and is ready for light traffic in 4 to 6 hr. One pound will cover approx. 1 sq. ft. with a 1/8-

in. coating. Price: \$35. (60 lb.). Delivery: immediate.

Maintenance Engineering Co., 16 W. Johnson St., Phila., Pa. (P.W., 5/18/59)



Belt Grinder

Can Grind, Buff, Deburr

Line of belt grinders designed for fast, grinding, buffing, and deburring in metalworking and maintenance shops, tool rooms, and other industrial areas. It is available in four standard setups. A variety of attachments can be used to build special job setups. Belt speed is 5,400 fpm. with a 6-in. contact roll using standard 1,725-rpm. motor. It is designed for 21/2-in. belts.

Price: \$129.50 to \$220.75 (less motor).

Delivery: 1 month.

Rockwell Mfg. Co., Walker-Turner Div., Dept. 1007, 400 N. Lexington Ave., Pittsburgh, Pa. (P.W., 5/18/59)



Fastener Installation Tool

Has Long Work Stroke

Model 200 pneumatic fastener installation tool has a working stroke of 11/4 in. When operating at 90 psi. it can install blind rivets and fasteners requiring up to 3,000 lb. force. It has a "double-action" feature for driving home the locking portion of lock-spindle blind rivets. It converts compressed air into hydraulic power with an internal power intensifier. The tool weighs 10 lb., including standard nose assembly.

Price: \$360. Delivery: immediate. Huck Mfg. Co., 2480 Bellevue Ave., Detroit, Mich. (P.W., 5/18/59)



Dolly Truck

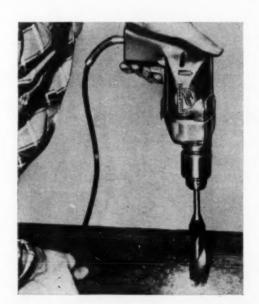
Adjusts Five Ways

Light-weight 500 and 250 lb. capacity dolly truck can be used as a 2-wheel truck, a 4-wheel dolly, a hand cart (with or without tray and/or shelf), a bin dolly or low platform cart, and an appliance dolly. The entire weight of the load is supported by the dolly. It rolls on ballbearing wheels and will fold into unit small enough to fit in an automobile or closet. Dolly is finished in a light grey baked enamel.

Price: \$29.95 to \$49.95. Delivery: im-

mediate.

Bellows Sales Co., 1607 Wichita St., Dallas, Texas (P.W., 5/18/59)



Electric Drill

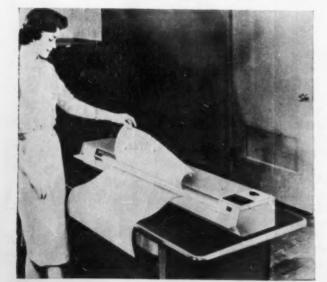
Models for Varied Applications

Speed Drills are available in two series; #1200 for heavy-duty, continuous operation, and #1300 for intermittent service. $\frac{1}{4}$, $\frac{5}{16}$, and $\frac{3}{8}$ in. capacities are available in both series. Weight of all models is 41/2 lb. and over-all length varies from 9 to 93/8 in. Universal serieswound motors provide the power, and the drills have 10 ft. of 3-conductor cord.

Price: 1200 series, \$46 to \$48. 1300 series, \$39.50 to \$41.50. Delivery: im-

mediate.

Speedway Div., Thor Power Tool Co., 1421 Barnsdale Rd., LaGrange Park, Ill. (P.W., 5/18/59)



Reproduction Machine

Makes Positive Prints

Copyflex 42 diazotype copying machine makes positive prints in seconds for as little as 1¢. Designed especially for making prints from engineering drawings. Tracings up to 42 in. wide by any length can be handled. Machine exposes paper which is developed by a spray developer.

Price: \$245. Delivery: im-

mediate.

Charles Bruning Co., Mt. Prospect, Ill. (P.W., 5/18/-



Production Control

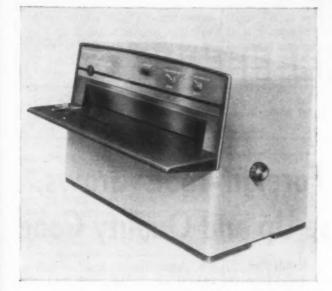
For Two Shifts

New Multi-shift design of Telecontrol production control system permits a plant to switch from one shift to another automatically. Single shift model of centralized control required an interval of 20 min. for resetting. Counters record production rate of every machine as well as amount of downtime.

Price. About \$450 per station. Delivery: 6 wk.

Telecontrol Div., Hancock Industries, Jackson, Mich. (P.W., 5/18/59)

New Products



Laminator

Protects Papers

Encases paper, card, board, or cover stock in clear, tough plastic film in 3 sec. Gives lifetime protection for papers, drawings, photographs, layouts, etc. It will handle material 17 in. wide by any length up to the 2,000 ft. capacity of the machine.

Price: \$395. Delivery: 2

mo.

General Binding Corp., 1101 Skokie Highway, Northbrook, Ill. (P.W., 5/18/59)



Tapping Attachment

High Speed Operation

Tapmatic 300A attachment gives continuous operation at speeds up to 2,500 rpm. Friction clutches, planetary gears, lead screws all have been eliminated. Driving torque is adjusted prior to tapping operation and cannot be changed by the operator during tapping. Tap stops instantly when it becomes dull, loaded, or bottoms in blind-hole tapping. It weighs 15 oz., has a dia. of $1\frac{2}{3}\frac{7}{2}$ in. and is $3\frac{3}{4}$ in. long. Rated in steel from #00 to #10-24.

Price: \$100. Delivery: immediate.
Tapmatic Corp., 845 W. 16th St.,
Costa Mesa, Cal. (P.W., 5/18/59)



Adding Machine

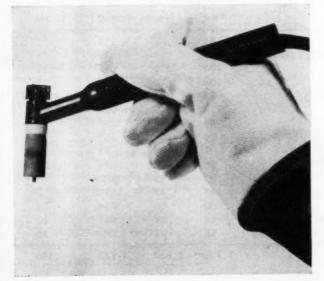
5/18/59)

Control Keys Within Reach

Control keys on adding machine are within fingertip range of the keyboard, simplifying the speed-touch system. Lightweight aluminum case provides streamlined styling and quiet operation. Natural angle keyboard reduces finger fatigue. Capacity is \$10-million less 1¢. Total and sub-total keys are electrified. Optional "Add-N-Mark" prints gummed or pressure sensitive labels for pricemarking merchandise.

Price: \$158 to \$261. Delivery: 15 to

30 days.
Victor Adding Machine Co., 3900 N.
Rockwell St., Chicago, Ill. (P.W.,



Welding Torch

Lightweight Design

Small enough (6% in. long) to weld inside a 3 in. tube, and lightweight (3.6 oz.). Designed for manual inert-gas tungsten arc welding, torch can carry 200 amp. on continuous duty cycles. Service lines are small and flexible.

Price: \$82.50. Delivery: immediate (after July 1).

Linde Co., Div. of Union Carbide Corp., 30 E. 42nd St., N. Y., N. Y. (P.W., 5/18/59) Another PURCHASING WEEK service: Price and delivery data with each product description.

This Week's -

Product Perspective

MAY 18-24

The use of more metals in today's products, the steady stream of new metal for new jobs, and higher labor costs all are pushing the search for better ways to join metals.

One area, points out expert John J. Chyle of A. O. Smith Corp., promising

much is welding.

Welding techniques break down into three main groups: pressure, fusion, and brazing. Pressure welding depends mostly on force for joining metals. Joining takes place either with or without heat. Fusion welding melts the metals to form a joint. Brazing uses a filler metal that melts at a temperature below the melting point of the metals to be joined. When the filler cools it forms a joint.

In each technique there's considerable ferment:

1. Pressure welding—Ultrasonic energy can joint both similar and dissimilar metals. Spot and seam welding are possible. But the process is limited so far to joining thin sheet materials. Foil presents no problem, but the heavier the sheet the more trouble. Development work going on now is likely to produce the equipment needed to handle heavier gages of metals in the future.

High-frquency electrical energy heats similar metals while they are under pressure. Some combinations of dissimilar metals can also be joined. Higher-power densities will mean faster welding speeds.

Foil seam welding depends on metal's resistance to the flow of current to fuse the metal in the joint area. It can make butt joints in flat strips, sheets, and foil. Foil can be pressure welded into the fused area. Low finishing costs and dimensional uniformity point to a wide future application for this technique.

Magnetic force welding combines the application of pressure to the joint with the magnetic force generated by the welding current. It can weld high-conductivity metals to each other and to carbon steels. Previously unweldable materials can be joined by this technique.

Diffusion bonding uses heat and pressure. No liquid phase forms; bonding occurs by movement of atoms across the joint's interface. Only certain metal combination—gold and copper, nickel and copper, aluminum and gold—have been tested. Applications are possible where conventional processes are not suitable for special alloys.

Friction welding depends on the frictional heat developed by rapidly moving parts under pressure. At its present development stage only cylindrical parts can be joined. It is fast and has a low power requirement. Potential lies in its use for production welding of simple sections because of lower initial capital investment costs.

Thermo-pressure welding keeps the parts under continuous pressure. Heat is applied until the metal flows. It is used to join semi-conductors to germanium and silicon. This technique is a good bet for making contacts to small areas without fluxes and the danger from heat transfer.

2. Fusion welding—A Russian development, electro-slag welding, is being studied here. Fusion of the electrode wire and the parent metal takes place in a molten slag bath covering the metal from which the weld is formed. It looks promising for making butt joints in large weldments and for welding build-ups on large surfaces.

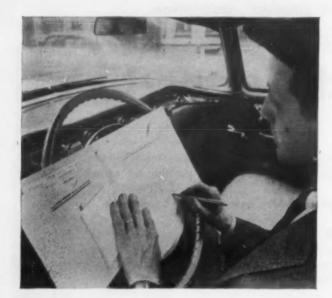
Electron beam welding has the distinct advantage of high purity. It uses a beam of electrons that strike the workpiece in a vacuum to form a joint. The beam penetrates deeply, makes a joint in many metals. High purity obtainable makes this process a good bet for use with the newer reactive metals. Special fixtures will be needed for large pieces.

Arc plasma technique generates anywhere from 5,000 to 30,000 F. To make such high temperatures an inert gas is pumped through a high-intensity arc discharge where the gas is ionized. No welding techniques have been developed yet; the arc plasma has been used mostly as a heat source. But there's a big potential in fusion welding because of the high temperatures involved.

3. Brazing—Development work is being done on broadening the applications for joining light gage metals, particularly those that are difficult to weld by other processes. Also more attention is being paid to design of the product with joining by brazing in mind.

Your Guide to New Products

(Continued from page 17)



Pre-Padded Letter

For Writing "On the Run"

'Keep-A-Copy Pak" is an 8 by 93/4-in. portfolio containing 25 carboninterleaved multicopy forms. Forms are of two-copy and three-copy type. It is designed for the traveling executive who must write while away from the office. Portfolio also has storage space.

Price: 98¢. Delivery: im-

Wilson Jones Co., 209 S. Jefferson St., Chicago, Ill., (P.W., 5/18/59)



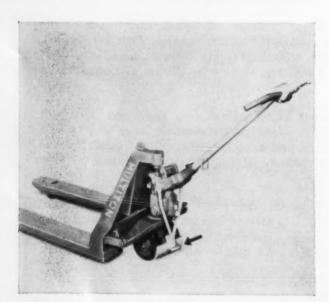
Portable Conveyor

For Machine-Side Use

"Economy" conveyor is designed to transport castings, stampings, blanks, screw machine parts, and scrap to another machine or tote box. Easily moved, it can be set for any incline from 22 to 45 deg. Models available with 6 in. to 24 in.

belts, 4 to 12 ft. long. Price: From \$238.50. Delivery: 2 wk.

Bosworth Mfg. Co., 34250 Mills Rd., Avon, Ohio. (P.W., 5/18/59)



Wheel Brake

Stops Hand Truck

Shoe-type brake is controlled by the pallet truck's steering handle and uses a lined brake shoe which acts against the steering wheels. It can be applied gradually or instantly. Brake is available as optional equipment. When desired, it may be completely deactivated.

Price: \$35. Delivery: im-

Stokvis Multiton Corp., 18 Secatoag Ave., Port Washington, N. Y. (P.W., 5/18/59)

Electrical Properties of Materials

Conductor-Any material that will | pass an appreciable electric current for the application under consideration when a voltage is applied across two points on. or in, the material. Metals, electrolytes, etc., are conductors in all applications. Wood and pure water, for some applications can be considered conductors, for others not.

Insulator—A material that conducts such a small amount of current that it can be neglected.

Dielectric-A medium that has this property: The energy needed to establish an electric field can be recovered either completely or in part. A perfect dielec-

tric does not conduct current. The only known perfect dielectric is a vacuum.

Dielectric tests—A voltage higher than the rated voltage is applied to the part under test to determine whether the part can adequately resist breakdown of insulating materials under normal operating conditions.

Electric strength-In terms of a dielectric material, this is the maximum voltage that the material can withstand without rupture. The value obtained for the electric strength depends on the thickness of the material and on the method and conditions of test. (P.W., 5/18/59)

When Did You Buy Your Foreign Machine Tools? Before 1945 1950 - 1953 20 30 70 40 % of Total Machines Reporting Source: American Machinist Survey

Concern Over Foreign Tools Grows, Survey Says Use Up and Quality Good

J. Kraut, president of the National Ma- 20 workers has 90 machine tools. chine Tool Builders Association told members of the machine tool industry at foreign tools. Switzerland sold the most, a recent meeting.

Our firm is "not in the market for foreign machine tools of any kind," a representative of one of the big three auto

companies points out.

Another major manufacturer has set up a firm policy regarding foreign machine tools. It won't buy from a foreign source unless it can't get the machine it wants in the U. S.

The machine tool industry is vitally concerned with foreign competition, and rightfully so. Exports, which used to account for more than 30% of U.S. tool business, today amount to less than 10%. In addition to this drop in exports, foreign tools are making a dent in the domestic market.

The purchasing agent has a vital interest in this situation, because the evidence indicates foreign manufacturers are offering a quality product at a price that is under their U. S. counterparts.

Although only 1.1% of U.S. industry tools are of foreign make, a recent "American Machinist" magazine survey shows that the trend towards imported tools has increased in recent years.

The survey was taken from 2,722 plants throughout the U. S. They represent 9.5% of the total number of employees in all U. S. metalworking. It showed that than perfect. 60% of the foreign machine tools in use in this country were bought in the last five years, 85% since 1950.

have them is 3.1%. Average for all machines only account for 24% of total plants, including those that answered U. S. metalworking tools.

"The United States is pricing itself out | "no," is 0.8. According to another survey, of the world machine tool market" Ralph the average metalworking plant with over

> Four countries supplied 90% of the 33%, followed by Germany with 29%, England with 18%, and Italy with 10%. There is a definite relationship between machine type and country of origin. Certain manufacturers have long had reputations for turning out a certain tool.

> "Why were the foreign machine tools bought in preference to domestic models?" Twenty-nine per cent said that the two machines were similar and the import cheaper. The second most popular reason was that the machine gave performance characteristics that were not available in any machines in this coun-

Faster delivery was a prime requisite, 19% said, while 15% said that the machines were better than similar U. S. counterparts. The remaining 13% said that although the imports were not up to the domestic quality the price was cheaper.

Most plants are satisfied with the imported tools, but the feeling is by no means universal. Six hundred twentyeight people said that they were satisfied; 107 said imports had given them trouble. Spare parts were needed by 455 and 325 had no difficulty getting them. But 165 ran into trouble. Some 400 said service had been satisfactory; 127 thought it less

Although the foreign tools represent a great variety of types, percentagewise the imports seem to be more of the basic tool One out of every four plants has some variety. Screw machines, lathes, and millforeign-built machine tools. The average ing machines account for 44% of the imnumber of foreign machines in plants that ports, while these same three types of

Spending Plans for 1959

Industry		nachine Is in 59?	How many machine	How many foreign machine
		No	tools?	tools?
FARM MACHINERY	31	41	112	1
CONSTRUCTION, MINING, MATERIALS HANDLING	76	98	325	18
METALWORKING MACHINERY	194	231	816	22
SPECIAL-INDUSTRY MACHINERY	103	76	265	19
GENERAL INDUSTRIAL EQUIPMENT	84	106	425	20
FABRICATED METAL PRODUCTS	254	440	1,057	27
OFFICE & SERVICE MACHINES	34	42	267	13
ELECTRICAL EQUIPMENT	89	88	356	12
HOUSEHOLD APPLIANCES	7	21	48	0
COMMUNICATIONS EQUIPMENT	36	36	157	7
MOTOR VEHICLES & PARTS	35	49	202	8
AIRCRAFT & PARTS	27	35	191	3
PRECISION MECHANISMS	50	66	264	10
ORDNANCE, SHIPBUILDING, RAILROADS	18	29	141	10
FORGE SHOPS, FOUNDRIES, MISCELLANEOUS	95	192	299	25
TOTALS	1,133	1,550	4,925	195

Seaway Jam-Up Raising Havoc on Deliveries Railway Express Starts Long-Haul Piggyback

Detroit—Heavy traffic into the lined up again in the Detroit get worse before it gets better. Great Lakes via the newly-opened River channel, waiting their turn He said the canal was not large St. Lawrence Seaway has led to to utilize the city's marine ter- enough to take the influx of after experimenting with the rapwaiting lines of vessels at various minal. points throughout the system. Experts are working to uncork the

oped in Lake Ontario off Port In a protest to the Canadian gov-Weller at the entrance to the 28- ernment, one of the largest opermile-long Welland Canal. Canal ators of Great Lakes vessels said financing after voters refused to car operations. facilities proved inadequate to its customers were pressing for pass a bond issue designated for handle the large fleet of foreign delivery of "essential and urgently ships which moved through the required raw materials"-prin-Seaway soon after it opened April cipally ore, coal, and grain. 25. At one time nearly two-score ocean and lakes vessels were lined dicted the situation was likely to expenses. up, causing delays to nearly two

Once through the canal and into Lake Erie, vessels due to dock at Detroit experienced further delays-lack of port facilities at the Motor City. Vessels

The delays were costing shipowners thousands of dollars daily and evoking heated complaints One of the first tie-ups devel- from Great Lakes carrier firms.

ocean-going vessels.

At Detroit, the presence of the waiting ships rekindled a controversy over construction of addi-tionally used sealed express cars cials chided the Port of Detroit started making selective shifts Commission for failing to find into the less costly trailer-on-flat the marine terminal expansion.

Some of the waiting vessels One Seaway spokesman pre- as much as \$2,000 in operating New York Central's Flexi-Van between origin and destination

long-haul "piggyback" idly growing shipping concept for

about a year.

The agency, which has tradi-

R.E.A. is now shipping daily between Philadelphia and Chicago via the Pennsylvania's Trucservice between Chicago and De- express terminals.

New York-The Railway Ex-I troit and to and from Battle press Agency has launched into Creek, Bay City, Kalamazoo, service Lansing, Michigan City, and Ypsilanti, all in Michigan. Robert C. Hendon, R.E.A.'s

vice president of operations, noted that there are savings in time and handling, and less damage loss tional dock facilities. City offi- attached to passenger trains, has resulting from the single loading and unloading procedure between distant terminals.

In addition to lowering railroad costs for the linehaul movement, the piggyback operations enable the agency to maintain or said each day of delay cost them Train service. It is also using the improve previous in-transit times

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Speed Letters Solve Correspondence Problem File Forms Locate Salesmen's Names Quickly 'Quickie' Replies 'Conveyorize' Letter Writing

1. Speed Letters

Speed letters can be a handy way to streamline your correspondence work or left for the addressee to fill out with his load. These simple forms give single sheet record of correspondence between two parties, and are quickly and easily sender at the start of correspondence. prepared. Not new, these forms have Signatures are usually enough for identihad fairly wide acceptance by purchas-

you write daily that can be, or could be, covered in only one paragraph. But, with the full space of a company letterhead in mind, you dictate or type an opening to your letter, a body, and possibly even a closing thought.

Of course, you may use half-size sheets for brief letters. Many P.A.'s object to half-size sheets, claiming they look cheaper than they do business-like. Also, many others object to the irregular sizes of non-standard sheets because of filing difficulties.

Available in 8½x11-in. or 8½x7-in. tures.

size, here is how speed letters are used: addressee is indicated at top left side of form. The "from" lines may be filled out, name when he returns the form to original sender. Usually, this is filled out by the sender at the start of correspondence.

Next, the sender writes his message, Correspondence experts say you would indicates date, and signs. He tears out be surprised to discover how many letters yellow middle sheet for his record of transmission. (Carbons are left intact.) The first (white copy) and third (pink copy) are sent to the addressee.

The addressee writes his answer on the first copy under "reply," and dates, signs, and returns white copy to original sender. He retains pink copy as his record of entire correspondence. When original sender receives his reply copy, he also then has a full record of the correspondence on one sheet of paper.

The entire communication has been simple, quick, and both parties have the Speed letters are a possible solution to full story on a single sheet of paper. It many of these correspondence headaches, is a good record, with dates and signa-

SNAP A WAY FORMS	SNAP-A-WAY AND RETAIN YELLOW COPY. SEND WHITE AND PIN	IK COPIES WITH CARBON INTACT	
	SPEED LETTER		
то	FROM		
SUBJECT			
-F0L0	MESSAGE	DATE	19
			1
-			
	SIGNED_		
<u> </u>	REPLY	DATE	19
	1-1-1		
- FOLD			
Market 1			
	SIGNED_		

	PLEASE COMPLETE AND RETURN THE ATTACHED FO	TEM	
	FLEASE COMPLETE AND RETURN THE ATTACHED FO	200	
EADING O RECA	OUR HOPE THAT BY RECORDING INTERVIEWS IN THIS GREATEST USE TO BUYER AND SELLER ALIKE. WE PROPOSE TO FILE THIS RECORD IN A SUITABLE IS G SO THAT, WHEN SEEKING POSSIBLE SOURCES OF STALL YOUR VISIT AND DETERMINE OR INVESTIGATE YOU MENTS. THIS FORM IS NOT AN INVITATION TO TENDER AND IS NOT RECOMMENDED.	BINDER AND UNDER THE APP IPPLY, WE SHALL BE IN A JUR ABILITY TO QUOTE ON	PROPRIATE POSITION OUR
	TO THE PURCHASING AGENT LUCAS-ROTAX LIMITED P.O. BOX 115 STATION H		
	TORONTO 13.	Do not use this	space
	SUPPLIER'S NAME & ADDRESS	DAY MO.	YEAR
		Date of Interv	iew
	Telephone No		sing Dept.
	Represented by		
	Name Title	To whom were you intr	oduced
	IF YOUR COMPANY IS APPROVED BY THE ROYAL CO OR DISTRIBUTION OF AIRCRAFT PARTS, QUOTE AP	NADIAN AIR FORCE FOR TH	E PRODUCTION
	SUBJECTOF DISCUSSION		

2. New Salesmen Form

How often have you looked desperately for the card of "that" salesman who was in a few weeks ago telling you and your engineers of his company's new spring coiler, widget, or gizmo? You you one," and so on. didn't need one then, but you do now. Neither you nor your engineer can remember "that" salesman's name, or his company.

Few P.A.'s have found salesmen business cards suitable for quick-to-find-later asks all new callers to fill out this form. filing. These cards come in every size Sometimes telephone numbers are on which appreciates the service.

these cards; sometimes the numbers do not appear. Sometimes buyers forget to note on cards plant referrals made for salesmen. Sometimes, even, the salesman did not have a card—"just ran out, we're having cards issued and I'll send

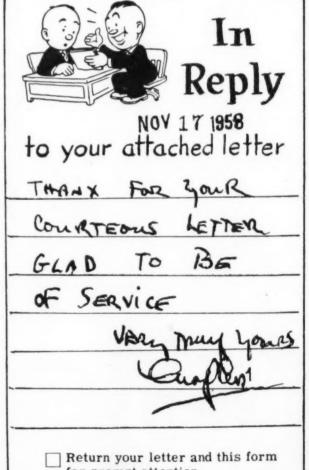
There is an easy way to cure this picayune but aggravating headache. A simple form devised by P.A. Brian Ervine of Lucas-Rotax Ltd., Toronto, Canada, is the effective aspirin, (see box). Ervine

The final record resulting from use of and shape. Often the card is "cute"— this card (binder) is available not only shaped as a valve, a motor, or a tool. to purchasing but also to engineering

3. 'Quickie' Reply Form

Here's a smart idea that can help clear your desk of today's mail today. This is a "Quickie" reply form used by Rugby Knitting Mills, Inc. Clipped onto letters needing only informal replies and no records of correspondence, this form "conveyorizes" handling of such correspondence.

Charles J. Levi, vice president in charge of purchasing for Rugby, has found this form to be the answer to a P.A.'s prayer for a long time. With the notation on the bottom of the form in way of explanation, there have been no slighted feelings expressed by those who have received back their letters with the form attached. As one executive noted, "when little time-savers like this form appear in your mail, you don't resent it. You copy it!"



for prompt attention.

Very truly yours, RUGBY KNITTING MILLS, Inc.

This "QUICKIE" reply form enables us to reply to your letter TODAY. It is a time saver for you and us. Thanks for your understanding.

Price Changes for Purchasing Agents

Item & Company	Amount of Change	New Price	Reason
INCREASES:			
Fir Lumber, green, 2x4's, Northwest, clts., mftbm	\$2.00	\$80.00	Building demand
Beeswax, crude, lb	.03	.55	Shipping boost
Palm Oil, crude, tanks, lb	.006	.135	Short supply
drums, lb.	.001	.1585	Short supply
Palm Kernal Oil, tanks, lb	.01	.185	Short supply
Cotton Broadcloth, combed, yd	.005	.265	Strong demand
Iso-Eugenol, lb.	\$1.00	\$4.50	Raw. mater. hike
Iso-Eugenol Methyl Esther, lb	.90	\$5.75	Raw. mater. hike
Eugenol Methyl Ether, lb	.90	\$4.65	Raw. mater. hike
Red Lead, 95% dry, lb	.005	.1425	Lead price boost
Litharge, lb.	.005	.1375	Lead price boost
Orange Mineral, lb	.005	.165	Lead price boost
Eugenol, USP, Ib	.30	\$2.20	Raw mater. hike
Menthol, Brazilian, duty paid, lb	.40	\$6.25	
Clove Leaf Oil, lb	.10	\$1.40	Short supply
Cottonseed Oil, valley, lb	.0018	.127	
Broadcloth, wide combed, 36x60 yard	.0025	.31	Upped demand
REDUCTIONS:			
Gasoline, Sun Oil, "Blue Sunoco," Detroit, tkwgn., gal	.019	.142	Mkt. competition
Butyl Acrylate Monomer, Union Carbide, tankcars, lb	.05	.45	Mkt. competition
Phenol, natural 90-92%, tankcars, lb	.0075	.1475	
82-84%, tankcars, lb	.005	.145	
Marine Diesel Oil, Esso exp., Houston, Harbor Is., bbl.	.10	\$3.92	
Marine Diesel med. oil, Esso exp., New Haven, net, bbl.	.21	\$4.33	
Baytown, Houston, bbl	.10	\$4.13	
Savannah, bbl	.10	\$3.85	
No. 4 Oil, intermed., Esso exp., Wilmington, N. C., bbl.	.04	\$3.03	
Spearmint Oil, lb	.35	\$5.80	Demand slack

Growing Protectionism Confuses Trade Policy

(Continued from page 1) vailing feeling that Washington chemical products. had stopped a new protectionism movement and that the country in strictions imposed and pending, more liberal trade policies.

that consensus.

The U. S. has slapped import has continued tariff-quotas on foreign export quotas on cotton textiles, continued a similar arrangement on stainless steel flatware. It has rejected some foreign bids on heavy electrical equipment, office machinery, and highway construction materials last summer. under the buy-American procedures. It has held up some 35 clinical thermometers.

Pending Cases Important

Pending cases dwarf the actions already taken. Several categories of heavy electric equipment are involved in forthcoming decisions on national security requirements for curbs on tees are also "investigating" the competing imports. The Commerce Department's Business Advisory Committee, meeting in Hot Springs, Va., last week, was told tiles, and salmon. the department is urging strongly that steam turbines be banned on these grounds. An earlier debreakers, and transformers.

5 Other Curbs Considered

Import curbs or bans on five market on the other. other products are being considered at the Office of Civil and abroad than it buys. But when to back domestic manufacturers' Defense Mobilization, also on foreign aid and investment is pleas for a total ban on competnational security grounds. These added to the balance-of-payments ing imports of large steam turare: cobalt, tungsten, fluorspar, picture, it shows the U. S. run-bines. are: cobalt, tungsten, fluorspar, wool knit gloves, and dental ning in red ink. burs.

At the Tariff Commission, ports, however. First-quarter duty boosts are being asked by 1959 figures show that so far domestic producers of hardwood- this year imports have continued plywood, broadwoven silk fab- to rise to a three-month total of however, is confined to steam turrics, mink skins, calf leather \$3.5 billion. Last year it was products, axes, and axe-heads. \$3.1 billion. Total 1958 imports Treasury Department is now in fell slightly below 1957, but not ators, circuit breakers, and transits second-stage hearings on as much as exports declined. charges of low-priced dumping Worse, some economists feel,

from drifting toward protection-ism. There was, therefore, a pre-birchwood doors, and several tured goods categories, instead of

Against this scorecard of refact was headed toward even the government has rejected pleas for additional import pro-But the record has disproved tection on considerably fewer items. The Tariff Commission recently rejected petitions filed protectionist column. Governquotas on oil, lead, and zinc, and by hand-makers of glass tableware, producers of tartaric acid woolen fabrics. Washington has and steel wire. But a court rerenegotiated so-called voluntary versal of the steel wire decision make its balance of payments may force re-consideration.

Many Rejected

Treasury Department has rejected about a third of the 60-odd anti-dumping petitions filed since

Many of these specific cases seem insignificant in the over-all specific import products under trade picture. But the governanti-dumping investigation. It ment's recent record does reflect nations sometime in the next few has boosted tariffs on copper and two important indicators of fu-

> in existing trade laws which can treated somewhat, and may rebe used to reverse the trend toward fewer trade barriers.

 Mounting congressional pressure for new import curbs.

Several congressional commitpossibility of new legislated import restrictions on such items as fluorspar, cobalt, cotton tex-

Increased Imports

Pressures for more trade barcision will be made on hydro- riers instead of less stem from at the Commerce Department's turbines and generators, circuit increased import competition on top level Business Advisory the one hand, and a vague fear Council meeting in Hot Springs, expressed by some that the U.S. is pricing itself out of the export ing, department officials let it be

Imports are gaining on ex-

of rayon staple fibres, shovels, the decline in U. S. exports has confining itself to dips in commodity shipments at lower prices.

Still Too Early

It is still much too early to predict that these trends will tip U. S. trade policies over into the ment officials still line up for the most part with economists who say that Washington would only problem worse by shifting to more trade protection. By cutting down foreign earning power, they argue, through less buying, less private investments, less foreign aid, U. S. exports will have an even rougher time.

No really clear picture will come into focus until negotiations begin with the Common Market months. But it is obvious that the nation's traditionally liberal stand • The administrative leeway on trade policy already has re-

treat even further.

T.V.A. Might Ask For Foreign Bids

(Continued from page 1) the Administration's decision on heavy electrical equipment imports.

More heat was turned on him Va., 10 days ago. At this meetknown that Undersecretary Fred-The nation is still selling more erick Mueller is urging Hoegh

> An example of the conflicting pressures on Hoegh is the fact that not everyone in Commerce agrees with Mueller.

recommendation, Mueller's bines. It does not involve hydraulic turbines and turbogenerformers on which O.C.D.M. must rule first.

Asphalt Prices May Take Jump

(Continued from page 1) ducers are mixing Venezuelan tions. stocks with California crude to meet specifications.

situation is expected to become "tighter." There is already strong evidence of prices firming on a higher level although no actual price increases have been forthcoming as yet.

Firmer prices have been particularly noticeable on bids submitted on state and local asphalt state purchasing agency said last contracts, governmental P.A.'s year's contract on cutback asreport. One glaring example was phalt was \$25.90 per ton. This in North Carolina, where all bids came in \$500,000 higher than

"I won't say there's collusion," William R. Henderson, North Carolina-state purchasing agent these prices have firmed is shown told PURCHASING WEEK, this year's asphalt prices look very strange to us and we're just not going to put up with a halfmillion dollar price increase."

Henderson said he threw out all the bids and is now negotiat- competition resulting from bad ing with suppliers in an attempt business conditions forced prices to get the prices down to "a down considerably below sound reasonable level." In the mean-market levels," a spokesman for time, he is buying cutback and Esso Oil Co. told PURCHASING emulsified asphalt on a hand-to- WEEK. "This won't happen this mouth basis under the state's year.

emergency purchasing regula-

'It isn't for me to determine the eet specifications.

As the industry swings into the P.A. said, "but when there's higher seasonal production, the such a drastic jump in price about 15% in one year-I feel obligated to evaluate their pricing

policies. Other government agencies also have been hit with higher asphalt bids although most were well under the 15% mark. The purchasing division of the Texas year the average price is \$27.51.

Current market prices on cutback and emulsified asphalt range between \$8.50 to \$10.50 per gallon. Another example of how "but in the prices received only recently by New York City. The price of cutback was listed at \$10.35 per gal. and on emulsified, \$10.69 per gal.

"Last year, extremely keen

-This Week's-

Purchasing Perspective

(Continued from page 1) quickly. Anticipated sales gains in capital goods will draw off much of the slack. A comeback in the metals-hungry auto industry would cinch it.

COMPARISONS: If you are comparing supplier cost analysis data, figure it takes 74% more to run a plant than it did 12 years ago. The cost index maintained by McGraw-Hill's "Factory" magazine rose again last month under the pressure of materials and labor in the two major maintenance categories-buildings and facilities, and equipment.

COST REDUCING OPPORTUNTY: The traffic news letter of a major Pittsburgh-headquartered manufacturer gently but firmly urges plant general managers to keep purchasing and traffic tuned in better on advantages of consolidated shipments of purchased materials.

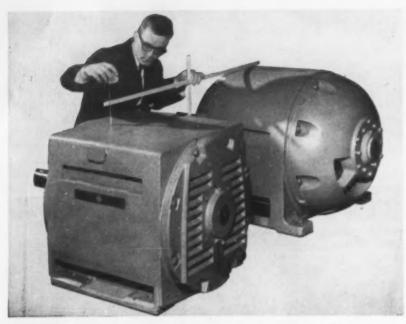
. . . With a little more planning . . . many more of our inbound shipment could move in truckload lots at reduced rates," the reminder states. It cited the example of "one of our plants" which began consolidating three months ago and so far has turned in savings of \$300/month.

PRICE EMPHASIS: British industrialists are struggling with familiar U. S. management topics-prices, productivity, and growth. They are getting much the same answers too.

Government economic chiefs figure this way: The national budget announced last month was designed to promote indus trial expansion in the U.K. They believe then it is reasonable to expect stability or even a comedown in prices, chiefly on grounds that industry was set to achieve a hike in productivity

British P.A.'s figure the only hope lies in productivity; it's more than likely import prices on needed raw materials will continue a steady rise during 1959.

TRENDS: Screw machine product makers complained of "unrealistic prices" in private conversations at their recent national meeting in New York. Purchasing agents who still demand three-day delivery "that was okay during the recession"--came in for jibes . . . Coal sales officials, out to win back oil and gas customers, figure some of untapped potential lies in small industrial plants . . . Irish gas producers are importing American coal-it's cheaper than the nearby British-mined product due to lower ocean shipping rates . . . purchasing agents may be caught in their own vicious circle. Upswing in inventory buying is blamed for driving up prices of some commodities.



SIZE REDUCTION is one benefit of new motor design. Old and new 150-hp. motors are shown. Floor space cut ranges from 22 to 45%.

New Building Block Design Motors Saving 4-5 Weeks Delivery Time

(Continued from page 1) along Class A lines can be rated trical Mfrs. Association Stand- for Class B duty. This means

the computer which turns out a motors. complete rundown of design one end of the computer and out use of open-type motors in many of the other end comes a design that meets the specs and a complete parts list.

Makes Debut

Another new G.E. motor series also has made its debut. It's called the custom 8,000. Ratings range from 100 to 600 hp. This series has a square shape (see photo) in contrast to the round shape of conventional motors. The square configuration offers a significant reduction in space needed for motors of a given horsepower. Flat end shields cut down the over-all length. Mounting area savings range from 22 to 45%, depending on the motor of American Railroads. rating. Total weight also is reduced about 20%. Both add up to a reduction in shipping costs for the motors.

Both of G.E.'s motor series use a new insulation system called Polyseal. The system consists of silicone rubber-impregnated Dacron and glass tape wrapped around each motor coil. The tape is tough, resistant to chemicals, abrasives, and water.

With Polyseal, motors designed search, and economics.

they can operate at the Class B Each motor is a custom job. rating of 130 C., 20 C higher Design of the motor's electrical than Class A. The jump in ratcomponents is done by an elec- ing allows higher performance tronic computer. Electrical re- and helps offset the higher cost quirements are programmed on of the insulating material in the

G.E.'s Polyseal insulation and characteristics. In effect, the silicone insulations developed by buver's specifications are fed into other motor makers permits the areas exposed to wet or corrosive conditions.

> These kinds of environments were formerly limited to the more expensive totally enclosed motors.

Railroad Purchasers To Meet in Chicago

Chicago-U. S. and Canadian railroad purchasing officials will focus on a variety of timely topics when they assemble here June 8-10 for the 33rd annual convention of the Purchases and Stores Division of the Association

While devoting a major portion of their program to improvement of railroad purchasing practices and procedures, the rail P. A.'s this year for the first time will hear leading spokesmen in other industrial fields. Among the guest speakers will be N.A.P.A. President Gordon B. Affleck, Westinghouse Vice President Andrew Kennedy, and authorities in iron and steel scrap, natural gas, re-

Weekly Production Records

	Latest Week	Week Ago	Year Ago
Steel ingot, thous tons	2,665	2,604*	1,400
Autos, units	136,600	118,059*	78,506
Trucks, units	26,426	26,140*	17,438
Crude runs, thous bbl, daily aver	7,722	7,702	7,255
Distillate fuel oil, thous bbl	11,995	12,375	11,130
Residual fuel oil, thous bbl	6,517	6,552	6,651
Gasoline, thous bbl	27,003	27,141	25,416
Petroleum refineries operating rate, %	79.8	79.6	79.0
Container board, tons	159,220	165,344	116,231
Boxboard, tons	154,674	155,318	130,154
Paper operating rate, %	91.6	95.8*	89.5
Lumber, thous of board ft	248,622	249,052	230,257
Bituminous coal, daily aver thous tons	1,379	1,349*	1,120
Electric power, million kilowatt hours	12,659	12,546	11,315
Eng const awards, mill \$ Eng News-Rec *Revised	415.6	403.3	435.4

Still a Buyer's Market; Sales Outlook Good

(Continued from page 1) resistance in closing a deal.

 Availability and delivery are perhaps their next biggest headache.

The purchasing emphasis on price had made it difficult for many companies to eliminate special discounts, freight allow-ances, and other "specials" they may have used to entice sales in the 1957-'58 downturn.

Aside from steel, relatively few sales or marketing chiefs were willing to admit they were even close to a seller's market at this time. But there were some who noted a definite change in the weather.

Out in the West Coast logging country, James Frink, vice president of Washington Iron Works at Seattle, said the purchasingsales climate has changed "very definitely" since a year ago.

Washington-a major manufacturer of logging, lumber and construction industry equipment -is sitting comfortably with a backlog four times what it was 12 months ago with sales already

And one of the country's biggest manufacturers of heavy trucking equipment figures "very definitely" that it is already riding herd on a seller's market. Sales through April were double those of a year ago.

In the heavy electrical equipment industry, manufacturers may not yet consider themselves in a seller's market but they report heavy buying by utilities with orders accelerating at quickening paces so that prices have firmed and the industry's 1958 "price war" has long since died.

Office Equipment Still Slow

In office equipment, it's still a buyer's market, but things may be moving toward the opposite direction. Underwood's adding machine sales supervisor, Clinton J. Hart, sees a definite possibility for the shift later this year in a scramble for new models. Another New York business machine firm also said it notes a slight movement toward the seller's advantage.

The comment of a West Coast distributor, Marshall-Newell Co. Higher in Next 6 Mo. at San Francisco-was in many ways typical of the "in-between" group's general sales optimismand caution:

Not So Pronounced

"There is still a buyer's market but it is not so pronounced as last week. it was a year ago. While it still

climate. But the majority insisted the present situation, while improving, is still a far cry from a seller's market or that a significant change at very best will not occur for many months.

John L. Gilles, marketing vice president of Monsanto Chemical at St. Louis, termed the market "still highly competitive" with prices of some major chemical next year. products, such as phenol and others used in manufacture of down.

In electric motors, manufactur-

mains their point of biggest at Fairbanks, Morse & Co., said contacted expect the buyer to the price line also is weak in pumps in some cases.

At St. Louis, Edward L O'Neill, vice president of Electric Emerson Mfg. Co., described the electrical motors industry as still characterized by "a lot of surplus so tough as a year ago."

Have to Work Hard

Said O'Neill: "Business opportunities look good but you have to work hard to get it.

Paper manufacturers also consider it still very much a buyer's market. Spokesmen for three of the country's biggest paper firms said they detected no present move to a sellers' market with buyers still resisting strongly on price and demanding discounts and freight allowances. Nevertheless, sales are up considerably over last year.

Sales managers contacted in Cleveland agreed that the business climate hasn't changed much the hard sell only in those fields despite the upturn and the inventory buying now going on. lished."

Elmburg, general sales manager | Most of the Cleveland sales offices reign "'Til a boom comes along,' as one of them expressed it. Most pick 1960 for some kind of change in the buying-selling atmosphere.

Salesmen and their managers in Buffalo, Minneapolis, Detroit, capacity and a highly competitive Los Angeles, Dallas, Atlanta, market." But while everyone is scrambling for the business, he elsewhere express similar views: admitted "conditions are not quite That they still have to get out and sell. But a particularly uniform response noted was confidence in strong sales during the second half of 1959 and the prospect for further improvement in 1960.

One other exception to the dominant view that the buyer is still king was noted on the West Coast. The Western sales office for a major manufacturer of instruments and other electronic parts said:

"Generally we feel that a sellers market is returning, especially in our low priced items which have some exclusive fea-tures." That company's spokesman emphasized that it is "giving which we are not yet quite estab-

Congress Takes Measure Toward Liquidating Government Stockpile

(Continued from page 1) is likely in the next few years, practically none of which is needed in the view of defense this stockpile alone that are in planners.

G.S.A. merely does the buying and storing of stockpile items. Actual determination of kinds and chromite, cobalt, copper, graphamounts of critical defense items for stockpiling are made by the Office of Civil and Defense Mobilization.

G.S.A. stockpiles some 100 different items under various programs. The main one, the socalled national stockpile, contains 75 different items amounting to about \$6.5 billion. Needs of this

stockpile are almost fully met and grow. At least another \$2 billion little in the way of additional funds will be spent on it.

In fact, there are 46 items in excess. These include aluminum, asbestos, bauxite, beryl, bismuth, cadmium, castor oil, celestite, ite, lead, magnesium, manganese, mercury, mica, molybdenum, nickel, quartz, tin, tungsten, and zinc. Others include agar, baddeleyite, gem diamonds, platinum group metals, pyrethrum, quinine, and zircon.

But the so-called supplemental stockpiles, totalling around \$1.5 billion, are continuing to be added to under various laws. A total of \$650 million is set aside for these additions in the upcoming fiscal year alone.

Supplementals Being Added To

The Administration feels that its over-all commodity policy is carry inventories is going to help at stake at this time. And it will rush interest rates higher in the ask Congress, probably next month, for more leniency in disposing of surplus stocks.

Forbids Disposals

Present law forbids disposal of take-you don't have to knock treasury one year bills which a any materials from the national yourself out so much as before." year ago sold for an interest yield stockpile without the express con-Others also commented on of 0.98%. Now the same type sent of both houses of Congress and the President.

The O.C.D.M. wants authority to go ahead with disposals after notifying Congress either 60 or 90 days in advance. If no action is taken by Congress, O.C.D.M. would be authorized to proceed automatically.

The House also took away from G.S.A. \$96.5 million in previously authorized but unspent funds that would go to the stockpile program. The purpose is to force G.S.A. to come before Congress annually to justify expenditures in the program. G.S.A. market "regardless of the fact up additional cash if they sell determination as to size and that business is good." John C. securities to buy others. amount is made by the O.C.D.M.

Interest Rates Seen

Washington-A rise in demand for borrowed money to next six months, Washington money-market experts indicated

The supply of money is altakes a selling job-make no mis- ready tight, and an example if in "improvement" in the selling of security yields over 4%—a climate. But the majority insisted measure of how demand for funds is outstripping supply.

Financial experts here pointed out that with the business rise picking up speed, demands from business for inventory financing are going to increase too. Some New York authorities are predicting that short term money will cost 6 to 8% by this time

Although the new rules were not expected to be too severe, the resins and plastics, still going Federal Reserve last week tightened up further on stock market credit. It announced regulations merely does the buying and storers consider it still a buyer's to force holders of stock to put ing of stockpile items. Actual

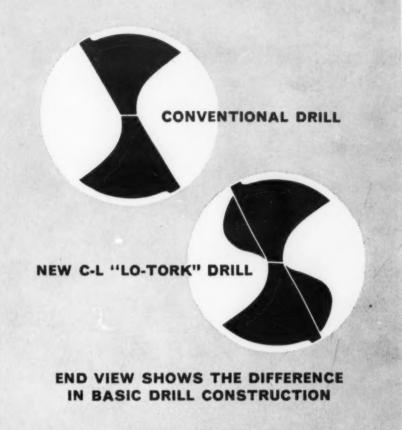
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UNRETOUCHED PHOTOS (BELOW)...dramatic proof of C-L "Lo-Tork" Drill's chip breaking effectiveness. At left is conventional drill-At right is the "Lo-Tork." Same work piece in each photo.







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- Non-clogging flutes
- Greater accuracy
- Less breakage

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